

EXECUTED IN 10 COUNTERPARTS
No. 2

6643

REGISTRATION NO. _____ Filed Recorded

JUN 2 1972 9 21 AM

INTEREST COMMENCE COMMISSION

**PULLMAN TRANSPORT LEASING COMPANY
EQUIPMENT TRUST**

Series 3

EQUIPMENT TRUST AGREEMENT

Dated as of June 15, 1972

BY AND BETWEEN

**CONTINENTAL ILLINOIS NATIONAL BANK AND
TRUST COMPANY OF CHICAGO,
Trustee**

AND

PULLMAN TRANSPORT LEASING COMPANY

CROSS REFERENCE SHEET

between

Provisions of Trust Indenture Act of 1939 with Equipment Trust Agreement dated as of June 15, 1972, between Pullman Transport Leasing Company and Continental Illinois National Bank and Trust Company of Chicago, Trustee :

Section of Act	Section of Equipment Trust Agreement
310 (a) (1) and (2)	9.08
310 (a) (3) and (4)	Not applicable
310 (b)	9.07, 9.09 and 9.10
310 (c)	Not applicable
311 (a) and (b)	9.12
311 (c)	Not applicable
312 (a)	8.01 and 8.02 (a)
312 (b) and (c)	8.02 (b) and (c)
313 (a)	8.04 (a)
313 (b) (1)	8.04 (a) (5) and (b)
313 (b) (2)	8.04 (b)
313 (c)	8.04 (c)
313 (d)	8.04 (d)
314 (a)	8.03
314 (b)	7.03
314 (c) (1) and (2)	13.03
314 (c) (3)	Not applicable
314 (d) (1) and (2)	5.06
314 (d) (3)	4.04
314 (e)	13.03
314 (f)	Not applicable
315 (a), (c) and (d)	9.02
315 (b)	6.07
315 (e)	6.11
316 (a) (1)	6.04 and 6.10
316 (a) (2)	Omitted
316 (a) last sentence	10.03
316 (b)	6.09
317 (a)	6.01
317 (b)	9.13
318 (a)	13.04

This Cross Reference Sheet is not part of the Equipment Trust Agreement as executed.

TABLE OF CONTENTS*

	PAGE
PARTIES	1
RECITALS AND FORMS	1
CONSIDERATION FOR AGREEMENT	11

ARTICLE ONE

DEFINITIONS

SECTION	1.01. Definitions	11
	Affiliate	11
	Authenticating Agent	11
	Business Day	11
	Commission	12
	Company	12
	Corporate Trust Office	12
	Cost	12
	Deposited Cash	12
	Engineer's Certificate	12
	Equipment	12
	Event of Default	13
	holder	13
	Independent Engineer	13
	Interest Payment Date	13
	Investment Securities	13
	Officers' Certificate	14
	Opinion of Counsel	14
	Original Issue Date	14
	Predecessor	15
	Predecessor Certificates	15
	Principal	15
	Request	15
	Responsible Officer	15
	Serial Trust Certificates	16
	Sinking Fund Trust Certificates	16
	Trust Certificates	16
	Trust Equipment	16

* This Table of Contents does not constitute a part of the Agreement.

	PAGE
Trust Indenture Act of 1939	16
Trustee	16
herein, hereof, hereby, hereto, hereunder	16
ARTICLE TWO	
TRUST CERTIFICATES AND ISSUANCE THEREOF	
SECTION 2.01. Issuance of Trust Certificates	16
SECTION 2.02. Interests Represented by Trust Certificates; Maturity; Interest; Denominations	17
SECTION 2.03. Forms of Trust Certificates and Guaranty	18
SECTION 2.04. Execution by Trustee	19
SECTION 2.05. Temporary Trust Certificates	19
SECTION 2.06. Characteristics of Trust Certificates	19
SECTION 2.07. Replacement of Lost Trust Certificates	21
ARTICLE THREE	
REDEMPTION OF SINKING FUND TRUST CERTIFICATES	
SECTION 3.01. Right of Redemption and Redemption Price	21
SECTION 3.02. Selection of Sinking Fund Trust Certificates for Redemp- tion; Notice of Redemption	22
SECTION 3.03. Payment of Sinking Fund Trust Certificates Called for Redemption	23
ARTICLE FOUR	
ACQUISITION OF TRUST EQUIPMENT BY TRUSTEE; DEPOSITED CASH	
SECTION 4.01. Acquisition of Equipment by Trustee	23
SECTION 4.02. Payment of Deposited Cash	24
SECTION 4.03. Payment of Deficiency	24
SECTION 4.04. Supporting Papers	25
ARTICLE FIVE	
LEASE OF TRUST EQUIPMENT TO THE COMPANY	
SECTION 5.01. Lease of Trust Equipment	27
SECTION 5.02. Equipment Automatically Subjected	27

	PAGE
SECTION 5.03. Substituted Equipment Subject Hereto	27
SECTION 5.04. Rental Payments	28
SECTION 5.05. Termination of Lease	31
SECTION 5.06. Substitution and Replacement of Equipment	31
SECTION 5.07. Marking of Trust Equipment	34
SECTION 5.08. Maintenance of Trust Equipment	36
SECTION 5.09. Possession of Trust Equipment	37
SECTION 5.10. Assignment of Lease Rentals and other Payments	39
SECTION 5.11. Patent Indemnity	40

ARTICLE SIX

REMEDIES IN EVENT OF DEFAULT

SECTION 6.01. Events of Default	41
SECTION 6.02. Remedies	45
SECTION 6.03. Application of Proceeds	46
SECTION 6.04. Waivers of Default	47
SECTION 6.05. Obligations of Company Not Affected by Remedies	48
SECTION 6.06. Company to Deliver Trust Equipment to Trustee	48
SECTION 6.07. Trustee to Give Notice of Default, but May Withhold Under Certain Circumstances	49
SECTION 6.08. Limitations on Suits by Holders of Trust Certificates	49
SECTION 6.09. Unconditional Right of Holders of Trust Certificates to Sue for Principal and Interest	50
SECTION 6.10. Control by Holders of Trust Certificates	50
SECTION 6.11. Right of Court to Require Filing of Undertaking to Pay Costs	51
SECTION 6.12. Remedies Cumulative	51

ARTICLE SEVEN

ADDITIONAL COVENANTS AND AGREEMENTS BY THE COMPANY

SECTION 7.01. Guaranty of Company	52
SECTION 7.02. Discharge of Liens	52

	PAGE
SECTION 7.03. Payment of Expenses; Recording	53
SECTION 7.04. Further Assurances	54

ARTICLE EIGHT

LISTS OF HOLDERS OF THE TRUST CERTIFICATES AND REPORTS BY THE COMPANY AND THE TRUSTEE

SECTION 8.01. Company to Furnish Trustee Information as to Names and Addresses of Holders of the Trust Certificates ...	54
SECTION 8.02. Preservation of Information; Communications to Holders of Trust Certificates	54
SECTION 8.03. Reports by the Company	57
SECTION 8.04. Reports by the Trustee	57

ARTICLE NINE

THE TRUSTEE

SECTION 9.01. Acceptance of Trusts	60
SECTION 9.02. Duties and Responsibilities of the Trustee; During De- fault; Prior to Default	60
SECTION 9.03. Certain Rights of the Trustee	61
SECTION 9.04. Application of Rentals; Responsibility of Trustee to Insure or Record	62
SECTION 9.05. Funds May be Held by Trustee; Investments in Invest- ment Securities	62
SECTION 9.06. Trustee Not Liable for Delivery Delays or Defects in Equipment or Title; May Perform Duties by Agents; Reimbursement of Expenses; Holding of Trust Certifi- cates; Moneys Held in Trust	63
SECTION 9.07. Qualification of Trustee; Conflicting Interests	64
SECTION 9.08. Persons Eligible for Appointment as Trustee	71
SECTION 9.09. Resignation and Removal; Appointment of Successor Trustee	71
SECTION 9.10. Acceptance of Appointment by Successor Trustee	73
SECTION 9.11. Merger or Consolidation of Trustee	73

	PAGE
SECTION 9.12. Preferential Collection of Claims Against the Company	74
SECTION 9.13. Paying Agents	78
SECTION 9.14. Appointment and Qualification of Authenticating Agent	79

ARTICLE TEN

CONCERNING THE HOLDERS OF TRUST CERTIFICATES

SECTION 10.01. Evidence of Action Taken by Holders of Trust Certificates	81
SECTION 10.02. Proof of Execution of Instruments and Holding of Trust Certificates	81
SECTION 10.03. Trust Certificates Owned by Company Deemed Not Outstanding	82
SECTION 10.04. Right to Revocation of Action Taken	82

ARTICLE ELEVEN

MEETINGS OF HOLDERS OF TRUST CERTIFICATES

SECTION 11.01. Purposes for Which Meetings of Holders of Trust Certi- ficates May be Called	83
SECTION 11.02. Call of Meetings by Trustee	83
SECTION 11.03. Company and Holders of Trust Certificates May Call Meeting	83
SECTION 11.04. Persons Entitled to Vote at Meeting	84
SECTION 11.05. Determination of Voting Rights; Conduct and Adjourn- ment of Meeting	84
SECTION 11.06. Counting Vote and Recording Action of Meeting	85
SECTION 11.07. Call of Meeting Not to Affect Rights of Trustee and Holders of Trust Certificates	86

ARTICLE TWELVE

SUPPLEMENTAL AGREEMENTS

SECTION 12.01. Supplemental Agreements without Consent of Holders of Trust Certificates	86
SECTION 12.02. Supplemental Agreements with Consent of Holders of Trust Certificates	87

	PAGE
SECTION 12.03. Compliance with Trust Indenture Act; Effect of Supplemental Agreements	88
SECTION 12.04. Notation on Trust Certificates	89
SECTION 12.05. Evidence of Compliance of Supplemental Agreement to be Furnished Trustee	89

ARTICLE THIRTEEN

MISCELLANEOUS

SECTION 13.01. Rights Confined to Parties and Holders	89
SECTION 13.02. No Recourse	89
SECTION 13.03. Officers' Certificates and Opinions of Counsel; Statements to be Contained Therein	90
SECTION 13.04. Conflict of any Provisions of Agreement with Trust Indenture Act of 1939	90
SECTION 13.05. Binding Upon Assigns	91
SECTION 13.06. Notices	91
SECTION 13.07. Effect of Headings	91
SECTION 13.08. Counterparts	91
SECTION 13.09. Date Executed	91
SECTION 13.10. Governing Law	91

TESTIMONIUM

SIGNATURES AND SEALS

ACKNOWLEDGEMENTS

SCHEDULE A. DESCRIPTION OF TRUST EQUIPMENT

EQUIPMENT TRUST AGREEMENT dated as of June 15, 1972, by and between CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO, a national banking association incorporated and existing under the laws of the United States, as Trustee (hereinafter called the Trustee), and PULLMAN TRANSPORT LEASING COMPANY, a corporation duly organized and existing under the laws of the State of Delaware (hereinafter called the Company).

WHEREAS, the Company has agreed to cause to be sold, transferred and delivered to the Trustee the railroad equipment described herein; and

WHEREAS, title to such railroad equipment is to be vested in and is to be retained by the Trustee, and such railroad equipment is to be leased to the Company hereunder until title is transferred under the provisions hereof; and

WHEREAS, Pullman Transport Leasing Company Equipment Trust Certificates (Series 3) (hereinafter called the Trust Certificates), are to be issued and sold in an aggregate principal amount not exceeding \$20,000,000, and the net proceeds (excluding premium and accrued interest, if any) of such sale together with such other cash, if any, as may be required to be deposited by the Company as hereinafter provided is to constitute a fund equal to the aggregate principal amount of Trust Certificates so issued and sold, to be known as PULLMAN TRANSPORT LEASING COMPANY EQUIPMENT TRUST, SERIES 3, to be delivered by the Trustee from time to time in part to the Company to reimburse the Company for the Cost of the Trust Equipment, as provided herein; and

WHEREAS, the texts of the Trust Certificates and the guaranty to be endorsed on the Trust Certificates by the Company are to be substantially in the following forms, respectively:

[FORM OF SERIAL TRUST CERTIFICATE]

\$-----

No. -----

PULLMAN TRANSPORT LEASING COMPANY

% EQUIPMENT TRUST CERTIFICATE DUE JUNE 15, 197

(SERIAL TRUST CERTIFICATE)

(SERIES 3)

Continental Illinois National Bank and
Trust Company of Chicago, Trustee

CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO, Trustee (hereinafter called the Trustee) under an Equipment Trust Agreement (hereinafter called the Agreement) dated as of June 15, 1972, by and between the Trustee and Pullman Transport Leasing Company, a Delaware corporation (hereinafter called the Company), hereby certifies that or registered assigns is entitled to an interest of

Dollars in Pullman Transport Leasing Company Equipment Trust, Series 3, payable June 15, 197 , upon surrender of this Certificate to the Trustee at its principal corporate trust office in the City of Chicago, State of Illinois, or, at the option of the registered holder hereof, at its agency in the Borough of Manhattan, The City of New York, and to interest thereon, payable on June 15 and December 15 in each year (hereinafter called Interest Payment Dates), at the rate of % per annum from the Interest Payment Date next preceding the date of this Certificate to which interest on this Certificate has been paid (unless the date hereof is a date to which interest has been paid, in which case from the date hereof) or, if no interest has been paid on the Serial Trust Certificates (as defined in the Agreement) since the Original Issue Date (as defined in the Agreement) of this Certificate, from the Interest Payment Date next preceding such Original Issue Date (unless such Original Issue Date is an Interest Payment Date, in

which case from such Original Issue Date), until the principal amount represented by this Certificate shall have become due, with interest on any overdue principal and interest, to the extent legally enforceable, at the rate of % per annum. The interest so payable on any Interest Payment Date will, subject to certain exceptions provided in the Agreement, be paid to the person in whose name this Certificate (or one or more Predecessor Certificates as defined in the Agreement) is registered at the close of business on the May 31 or November 30 (whether or not a Business Day), as the case may be, next preceding such Interest Payment Date and may, at the option of the Trustee, be paid by check mailed to the registered address of such person. Payment of the principal of and interest on this Certificate will be made in such coin or currency of the United States of America as, at the time of payment, shall be legal tender for the payment of public and private debts, but only from and out of rentals or other moneys received by the Trustee and applicable to such payment under the provisions of the Agreement.

This Certificate is one of an authorized issue of Trust Certificates in an aggregate principal amount not exceeding \$20,000,000, consisting of not to exceed \$4,000,000 aggregate principal amount (hereinafter called Serial Trust Certificates) which will mature serially in the principal amount of \$1,000,000 on June 15 in each of the years 1973 to 1976, both inclusive, and not to exceed \$16,000,000 aggregate principal amount which will mature on June 15, 1992 (unless theretofore called for sinking fund redemption) and issued or to be issued under the Agreement, pursuant to which certain railroad equipment leased to the Company (or cash or obligations defined in the Agreement as "Investment Securities" in lieu thereof, as provided in the Agreement) is held by the Trustee in trust for the equal and ratable benefit of the registered holders of the Trust Certificates issued thereunder. Reference is made to the Agreement (copies of which are on file with the Trustee at its said office) for a more complete statement of the terms and provisions thereof, to all of which the registered holder hereof, by accepting this Certificate, assents. This Certificate is one of the Serial Trust Certificates.

The Serial Trust Certificates are issuable as fully registered Serial Trust Certificates in denominations of \$1,000 and any multiple

of \$1,000. The several denominations of Serial Trust Certificates bearing the same maturity are interchangeable upon presentation thereof for that purpose at said office of the Trustee or at its agency in the Borough of Manhattan, The City of New York, but only in the manner, subject to the limitations and upon payment of the charges provided in the Agreement.

This Certificate is transferable by the registered holder hereof in person or by duly authorized attorney on the books of the Trustee upon surrender to the Trustee at its said office or at its agency in the Borough of Manhattan, The City of New York, of this Certificate accompanied by a written instrument of transfer, duly executed by the registered holder in person or by such attorney, in form satisfactory to the Trustee or the Authenticating Agent, and thereupon a new Serial Trust Certificate or Certificates in authorized denominations for the same aggregate principal amount and bearing the same maturity as this Certificate will be issued to the transferee in exchange herefor. The Trustee, any Authenticating Agent and the Company may deem and treat the person in whose name this Certificate is registered as the absolute owner hereof for the purpose of receiving payment of principal and interest and for all other purposes and shall not be affected by any notice to the contrary.

In case of the happening of an Event of Default (as defined in the Agreement) the principal amount represented by this Certificate may become or be declared due and payable in the manner and with the effect provided in the Agreement.

This Certificate shall not be valid or become obligatory for any purpose until the certificate of authentication has been manually signed by an authorized officer of the Trustee or on behalf of the Trustee by the Authenticating Agent under the Agreement.

IN WITNESS WHEREOF, the Trustee has caused this Certificate to be signed by one of its Vice Presidents, by his signature or a facsimile thereof, and authenticated by one of its authorized officers, by his signature, or by an authorized officer of its Authenticating Agent, by

his signature, and its corporate seal or a facsimile thereof to be hereto affixed or hereon imprinted and to be attested by one of its Trust Officers, by his signature or a facsimile thereof.

Dated

CONTINENTAL ILLINOIS NATIONAL BANK
AND TRUST COMPANY OF CHICAGO,
Trustee,

By -----
Vice President.

Attest:

Trust Officer.

[FORM OF CERTIFICATE OF AUTHENTICATION OF SERIAL TRUST CERTIFICATES]

This is one of the Serial Trust Certificates described in the within-mentioned Agreement.

CONTINENTAL ILLINOIS NATIONAL	OR	THE CHASE MANHATTAN BANK
BANK AND TRUST COMPANY OF		(National Association), as
CHICAGO,		<i>Authenticating Agent</i>
<i>Trustee,</i>		

By -----
Authorized Officer.

By -----
Authorized Officer.

[FORM OF SINKING FUND TRUST CERTIFICATE]

\$-----

No. -----

PULLMAN TRANSPORT LEASING COMPANY

7 $\frac{3}{4}$ % EQUIPMENT TRUST CERTIFICATE DUE JUNE 15, 1992

(SINKING FUND CERTIFICATE)

(SERIES 3)

Continental Illinois National Bank and Trust Company
of Chicago, Trustee

CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO, Trustee (hereinafter called the Trustee) under an Equipment Trust Agreement (hereinafter called the Agreement) dated as of June 15, 1972, by and between the Trustee and Pullman Transport Leasing Company, a Delaware corporation (hereinafter called the Company), hereby certifies that

or registered assigns is entitled to an interest of Dollars in Pullman Transport Leasing Company Equipment Trust, Series 3, payable June 15, 1992, upon surrender of this Certificate to the Trustee at its principal corporate trust office in the City of Chicago, State of Illinois, or, at the option of the registered holder hereof, at its agency in the Borough of Manhattan, The City of New York, and to interest thereon, payable on June 15 and December 15 in each year (hereinafter called Interest Payment Dates), at the rate of 7 $\frac{3}{4}$ % per annum from the Interest Payment Date next preceding the date of this Certificate to which interest on this Certificate has been paid (unless the date hereof is a date to which interest has been paid, in which case from the date hereof) or, if no interest has been paid on the Sinking Fund Trust Certificates (as defined in the Agreement) since the Original Issue Date (as defined in the Agreement) of this Certificate, from the Interest Payment Date next preceding such Original Issue Date (unless such Original Issue Date is an Interest Payment Date, in which case from such Original Issue Date), until the principal amount represented

by this Certificate shall have become due, with interest on any overdue principal and interest, to the extent legally enforceable, at the rate of $7\frac{3}{4}\%$ per annum. The interest so payable on any Interest Payment Date will, subject to certain exceptions provided in the Agreement, be paid to the person in whose name this Certificate (or one or more Predecessor Certificates as defined in the Agreement) is registered at the close of business on the May 31 or November 30 (whether or not a Business Day), as the case may be, next preceding such Interest Payment Date and may, at the option of the Trustee, be paid by check mailed to the registered address of such person. Payment of the principal of and interest on this Certificate will be made in such coin or currency of the United States of America as, at the time of payment, shall be legal tender for the payment of public and private debts, but only from and out of rentals or other moneys received by the Trustee and applicable to such payment under the provisions of the Agreement.

This Certificate is one of an authorized issue of Trust Certificates in an aggregate principal amount not exceeding \$20,000,000, consisting of not to exceed \$4,000,000 aggregate principal amount which will mature serially in the principal amount of \$1,000,000 on June 15 in each of the years 1973 to 1976, both inclusive, and not to exceed \$16,000,000 aggregate principal amount (hereinafter called Sinking Fund Trust Certificates) which will mature on June 15, 1992 (unless theretofore called for sinking fund redemption), and issued or to be issued under the Agreement, pursuant to which certain railroad equipment leased to the Company (or cash or obligations defined in the Agreement as "Investment Securities" in lieu thereof, as provided in the Agreement) is held by the Trustee in trust for the equal and ratable benefit of the registered holders of the Trust Certificates issued thereunder. Reference is made to the Agreement (copies of which are on file with the Trustee at its said office) for a more complete statement of the terms and provisions thereof, to all of which the registered holder hereof, by accepting this Certificate, assents. This Certificate is one of the Sinking Fund Trust Certificates.

As a sinking fund for the Sinking Fund Trust Certificates, the Agreement provides for the payment by the Company to the Trustee, on or before the Business Day next preceding June 15 in each year, commencing June 15, 1977, and continuing to and including June 15, 1991,

of additional rental in an amount sufficient to redeem \$1,000,000 aggregate principal amount of Sinking Fund Trust Certificates in each of the years 1977 through 1991, both inclusive. In addition, on June 15, 1987 and on each sinking fund payment date thereafter the Company may pay additional rental as a sinking fund to redeem such greater amount not exceeding \$1,000,000 aggregate principal amount of Sinking Fund Trust Certificates as the Company may at its option specify in accordance with the Agreement. Such right to make additional rental payments is non-cumulative. As more fully provided in the Agreement, the Sinking Fund Trust Certificates are subject to redemption in part through the application of such additional rental on June 15, 1977, and on each June 15 thereafter to and including June 15, 1991, on not less than 30 days' prior notice given as provided in the Agreement, at 100% of the principal amount thereof, together with accrued and unpaid interest to the date fixed for redemption. The Agreement further provides that the Company may, at its option, credit against such rental Sinking Fund Trust Certificates acquired otherwise than through the operation of the sinking fund and not theretofore credited, such credit to be in an amount equal to the aggregate principal amount of such Sinking Fund Trust Certificates.

The Sinking Fund Trust Certificates are issuable as fully registered Sinking Fund Trust Certificates in denominations of \$1,000 and any multiple of \$1,000. The several denominations of Sinking Fund Trust Certificates are interchangeable upon presentation thereof for that purpose at said office of the Trustee or at its agency in the Borough of Manhattan, The City of New York, but only in the manner, subject to the limitations and upon payment of the charges provided in the Agreement.

This Certificate is transferable by the registered holder hereof in person or by duly authorized attorney on the books of the Trustee upon surrender to the Trustee at its said office or at its agency in the Borough of Manhattan, The City of New York of this Certificate accompanied by a written instrument of transfer, duly executed by the registered holder in person or by such attorney, in form satisfactory to the Trustee or the Authenticating Agent, and thereupon a new Sinking Fund Trust Certificate or Certificates in authorized denominations for the same aggregate principal amount will be issued to the transferee in

exchange herefor. The Trustee, any Authenticating Agent and the Company may deem and treat the person in whose name the Certificate is registered as the absolute owner hereof for the purpose of receiving payment of principal and interest and for all other purposes and shall not be affected by any notice to the contrary.

In case of the happening of an Event of Default (as defined in the Agreement) the principal amount represented by this Certificate may become or be declared due and payable in the manner and with the effect provided in the Agreement.

This Certificate shall not be valid or become obligatory for any purpose until the certificate of authentication has been manually signed by an authorized officer of the Trustee or on behalf of the Trustee by the Authenticating Agent under the Agreement.

IN WITNESS WHEREOF, the Trustee has caused this Certificate to be signed by one of its Vice Presidents, by his signature or a facsimile thereof, and authenticated by one of its authorized officers, by his signature, or by an authorized officer of its Authenticating Agent, by his signature, and the corporate seal of the Trustee or a facsimile thereof to be hereto affixed or hereon imprinted and to be attested by one of its Trust Officers, by his signature or a facsimile thereof.

Dated

CONTINENTAL ILLINOIS NATIONAL BANK
AND TRUST COMPANY OF CHICAGO,
Trustee,

By _____
Vice President.

Attest:

Trust Officer.

[FORM OF CERTIFICATE OF AUTHENTICATION OF
SINKING FUND TRUST CERTIFICATE]

This is one of the Sinking Fund Trust Certificates described in
the within-mentioned Agreement.

CONTINENTAL ILLINOIS NATIONAL OR THE CHASE MANHATTAN BANK
BANK AND TRUST COMPANY OF (National Association), as
CHICAGO, *Authenticating Agent*
Trustee,

By _____
Authorized Officer.

By _____
Authorized Officer.

[FORM OF GUARANTY FOR TRUST CERTIFICATES]

Pullman Transport Leasing Company, for a valuable considera-
tion, hereby unconditionally guarantees to the registered holder of the
within Certificate the prompt payment of the principal of said Certi-
ficate, and of the interest thereon specified in said Certificate, with
interest on any overdue principal and interest, to the extent legally
enforceable, at the rate of ~~7 1/2~~ % per annum, all in accordance with the
terms of said Certificate and the Equipment Trust Agreement referred
to therein.

mmf
ms
off
I.R.E.

PULLMAN TRANSPORT LEASING
COMPANY

By _____
President.

WHEREAS, it is desired to secure to the holders of the Trust Certificates the payment of the principal thereof at maturity, whether by declaration or otherwise, as hereinafter more particularly provided, with interest to said date of maturity, as hereinafter provided, payable semi-annually on June 15 and December 15 in each year, and to evidence the rights of the holders of the Trust Certificates in substantially the form hereinbefore set forth;

Now, THEREFORE, in consideration of the mutual covenants and promises herein contained, the parties hereto hereby agree as follows:

ARTICLE ONE

DEFINITIONS

SECTION 1.01. *Definitions.* The following terms (except as otherwise expressly provided or unless the context otherwise requires) for all purposes of this Agreement shall have the respective meanings hereinafter specified; all other terms used in this Agreement which are defined in the Trust Indenture Act of 1939 or which are by reference therein defined in the Securities Act of 1933 (except as herein otherwise expressly provided or unless the context otherwise requires) shall have the meanings assigned to such terms in said Trust Indenture Act and in said Securities Act as in force at the date of this Agreement:

Affiliate of any corporation shall mean any corporation which, directly or indirectly, controls or is controlled by, or is under direct or indirect common control with, such corporation. For the purposes of this definition, *control* (including *controlled by* and *under common control with*), as used with respect to any corporation, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such corporation, whether through the ownership of voting securities or by contract or otherwise.

Authenticating Agent shall mean the agent of the Trustee which at the time shall be appointed and acting pursuant to Section 9.14.

Business Day shall mean a day which in Chicago, Illinois is not a day in which banking institutions are authorized by law to close.

Commission shall mean the United States Securities and Exchange Commission.

Company shall mean Pullman Transport Leasing Company and any successor or successors to it complying with the provisions of Section 5.09.

Corporate Trust Office shall mean the principal office of the Trustee in the City of Chicago, State of Illinois, at which the corporate trust business of the Trustee shall, at the time in question, be administered, which office is, at the date of execution of this Agreement, located at 231 South La Salle Street, Chicago, Illinois 60693.

Cost, when used with respect to Equipment not built by the Company or any Affiliate of the Company, shall mean the actual cost thereof, and, with respect to Equipment built by the Company or any such Affiliate, shall mean so-called "carbuilder's cost" including direct cost of labor and material and overhead, but excluding any manufacturing profit.

Deposited Cash shall mean the aggregate of (a) cash and any advance rentals on deposit with or to the credit of the Trustee as provided in the first paragraph of Section 2.01 and, when required or indicated by the context, any Investment Securities purchased by the use of such cash pursuant to the provisions of Section 9.05, and (b) any sums restored to Deposited Cash from rentals pursuant to Section 5.04(B)(1)(b) and on deposit with or to the credit of the Trustee.

Engineer's Certificate shall mean a certificate signed by the President or a Vice President of the Company or by any other officer or employee of the Company appointed by the Company for the purpose and approved by the Trustee in the exercise of reasonable care.

Equipment shall mean standard-gauge railroad equipment (other than passenger or work equipment), first put into use on or after January 1, 1971, except that, for the purposes of Sections 5.06 and 5.08, where railroad equipment is being conveyed to the Trustee (A) in replacement of Trust Equipment (i) sold or contracted to be sold by

tificates will not be materially endangered thereby and the Company shall have furnished the Trustee with an Opinion of Counsel to such effect.

SECTION 5.05. *Termination of Lease.* At the termination of the lease provided herein and after all payments due or to become due from the Company hereunder shall have been completed and fully made to the Trustee (1) such payments shall be applied and treated as purchase money and as the full purchase price of the Trust Equipment, (2) any moneys remaining in the hands of the Trustee after providing for payment in full of all outstanding Trust Certificates and after paying the expenses of the Trustee, including its reasonable compensation, shall be paid to the Company, (3) title to all the Trust Equipment shall vest in the Company and (4) the Trustee shall execute for record in public offices, at the expense of the Company, such instrument or instruments in writing as reasonably shall be requested by the Company in order to make clear upon public records the Company's title to all the Trust Equipment under the laws of any jurisdiction; *provided, however*, that until that time title to the Trust Equipment shall not pass to or vest in the Company, but title to and ownership of all the Trust Equipment shall be and remain in the Trustee, notwithstanding the delivery of the Trust Equipment to and the possession and use thereof by the Company.

SECTION 5.06. *Substitution and Replacement of Equipment.* Upon Request, the Trustee shall, at any time and from time to time, execute and deliver a bill of sale assigning and transferring to the transferee named by the Company all the right, title and interest of the Trustee in and to any or all of the Trust Equipment; *provided, however*, that none of the Trust Equipment shall be so assigned or transferred (except as provided in Section 5.05) unless simultaneously (a) there shall be conveyed to the Trustee other Equipment of a fair value to the Company not less than the fair value, as of the date of such Request, of the Trust Equipment so assigned or transferred by the Trustee or (b) there shall be paid to the Trustee cash in an amount not less than the fair value, as of said date, of the Trust Equipment so assigned or transferred by the Trustee.

At the time of delivery of any Request pursuant to the first paragraph of this Section 5.06, the Company shall, if other Equipment is

to be conveyed to the Trustee in substitution for the Trust Equipment to be assigned or transferred by the Trustee, deliver to the Trustee the following papers:

(1) an Engineer's Certificate stating (i) the fair value, as of the date of said Request, of the Trust Equipment so to be assigned or transferred by the Trustee, (ii) that such assignment or transfer will not impair the security under this Agreement in contravention of the provisions hereof and (iii) the fair value to the Company of such substituted units of Equipment as of such date;

(2) an Officers' Certificate stating (i) the date each unit of Trust Equipment so to be assigned or transferred by the Trustee was first put into use (or that such unit was first put into use not later than a specified date), (ii) the original Cost of each unit of the Equipment so to be substituted and the date it was first put into use (or that such unit was first put into use not earlier than a specified date), (iii) that each such unit so to be substituted is Equipment as herein defined, (iv) that no Event of Default has occurred and is continuing and (v) that, in the opinions of the signers, all conditions precedent provided for in this Agreement, relating to such substitution, have been complied with;

(3) a certificate and a bill or bills of sale in respect of such substituted Equipment as provided for in subparagraphs (a) and (d) of the first paragraph of Section 4.04; and

(4) an Opinion of Counsel to the effect (i) that such bill or bills of sale are valid and effective, either alone or together with any other instruments referred to in and accompanying such opinion, to vest in the Trustee title to such substituted Equipment free from all liens and encumbrances (including any leasehold interest therein) other than subleases permitted by Section 5.09 hereof and other than the rights of the Company hereunder, (ii) that a proper supplement hereto in respect of such substituted Equipment has been duly executed by the Trustee and the Company and (iii) that, in the opinion of such counsel, all conditions precedent provided for in this Agreement, with respect to such substitution, have been complied with.

If the fair value of the Trust Equipment to be assigned or transferred by the Trustee, together with all other property so assigned or trans-

ferred since the commencement of the then current calendar year, as set forth in the certificate or certificates required by this Section 5.06, is 10% or more of the aggregate principal amount of Trust Certificates at the time outstanding, the Engineer's Certificate referred to in subparagraph (1) above shall be signed by an Independent Engineer unless the fair value of the Trust Equipment to be assigned or transferred, as set forth in such certificate, is less than \$25,000 or less than 1% of the aggregate principal amount of Trust Certificates at the time outstanding. If any Equipment to be conveyed to the Trustee pursuant to this Section 5.06 has, within six months prior to the date of its acquisition by the Company, been used or operated, by a person or persons other than the Company or its Predecessor, in a business similar to that in which it has been or is to be used or operated by the Company and the fair value to the Company of such Equipment is not less than \$25,000 and not less than 1% of the aggregate principal amount of Trust Certificates at the time outstanding, the Engineer's Certificate referred to in subparagraph (1) above shall be signed by an Independent Engineer.

At the time of delivery of any Request pursuant to the first paragraph of this Section 5.06, the Company shall, if cash is to be paid to the Trustee in respect of the Trust Equipment to be assigned or transferred by the Trustee, deliver to the Trustee papers corresponding to those set forth in the second paragraph of this Section 5.06 in so far as they relate to the action requested.

Cash deposited with the Trustee pursuant to this Section 5.06 or pursuant to Section 5.08 shall, from time to time, be paid over by the Trustee to the Company upon Request, against conveyance to the Trustee of Equipment having a fair value, as of the date of said Request, not less than the amount of cash so paid, and upon compliance by the Company with all of the provisions of the second paragraph of this Section 5.06 (including an Engineer's Certificate corresponding to that required by subparagraph (1) of said second paragraph with respect to said Equipment) in so far as they relate to the action requested.

For all purposes of this Section 5.06, where fair value is not required to be determined by an Independent Engineer, fair value shall be determined as follows (and the manner of such determination shall be set forth in each Engineer's Certificate furnished in respect thereof,

including a statement of actual fair value or fair value to the Company, as the case may be, without reference to the provisions of subdivision (b) of subparagraphs (1) and (2) of this paragraph):

(1) The fair value of any unit of Trust Equipment assigned or transferred by the Trustee as provided in this Section 5.06 shall be deemed to be the greater of (a) the actual fair value thereof and (b) the Cost thereof as theretofore certified to the Trustee less an amount equal to 3.6% in the case of tank cars and 4.5% in the case of all other Trust Equipment, of such Cost for each full period of one year elapsed between the date such unit was first put into use as certified to the Trustee and the date as of which fair value is to be determined.

(2) The fair value to the Company of any unit of Equipment conveyed to the Trustee as provided in this Section 5.06 shall be deemed to be the lesser of (a) the actual fair value to the Company thereof and (b) the Cost of such unit, if new, or, in case of any unit of Equipment not new, (i) the depreciated book value thereof on the books of the owner thereof, as of the date of the transfer thereof to the Trustee, or (ii) the Cost thereof, less an amount equal to 3.6% in the case of tank cars and 4.5% in the case of all other Trust Equipment, of such Cost for each full period of one year elapsed between the date such unit was first put into use and the date of the transfer thereof to the Trustee or (iii) the value thereof, as of said last mentioned date, as determined in accordance with the Code of Rules Governing the Condition of and Repairs to Freight and Passenger Cars for the Interchange of Traffic, Adopted by the Association of American Railroads, Operations and Maintenance Department, Mechanical Division, as in effect at the time in question (or, if there is no such Code then in effect, sound accounting principles), whichever shall be less.

For all purposes of this Section 5.06, where fair value is required to be determined by an Independent Engineer such fair value shall be determined without requiring reference to the provisions of subparagraphs (1) and (2) of the next preceding paragraph.

SECTION 5.07. *Marking of Trust Equipment.* The Company agrees that if the Opinion of Counsel specified in Section 5.08 hereof shall not be delivered to the Trustee as provided in said Section 5.08 or if, in the opinion of the Company, marking of one or more units of Trust

Equipment is required by law to properly protect the title of the Trustee to the Trust Equipment or the rights of the holders of Trust Certificates, the Company will, as soon as practicable after determining that such marking is required or after the failure of the Company to deliver the aforementioned Opinion of Counsel, arrange for the marking of each such unit of Trust Equipment in the following manner. There shall be plainly, distinctly, permanently and conspicuously placed and fastened upon each side of each such unit a metal plate bearing the following words, or such words shall be otherwise plainly, distinctly, permanently and conspicuously marked on each side of such unit, in either case in letters not less than seven-sixteenths of one inch in height:

TITLE TO THIS CAR IS VESTED IN A TRUSTEE UNDER AN EQUIPMENT TRUST AGREEMENT RECORDED UNDER SECTION 20C OF THE INTERSTATE COMMERCE ACT.

Such plates or marks shall be such as to be readily visible and as to indicate plainly the Trustee's ownership of each such unit of the Trust Equipment.

In case, prior to the termination of the lease provided for herein, any of such plates or marks shall at any time be removed, defaced or destroyed, the Company shall forthwith cause the same to be restored or replaced. The Company shall not change, or permit to be changed, the numbers of any of the Trust Equipment at any time covered hereby (or any numbers which may have been substituted as herein provided) except in accordance with a statement of new numbers to be substituted therefor which previously shall have been filed with the Trustee by the Company and which shall be filed and recorded in like manner as this Agreement.

Certain of the units of Equipment which are being furnished at the date hereof to railroads as permitted by Section 5.09 or which are at the date hereof under leases which will qualify as subleases permitted by Section 5.09 are marked: "Transport Leasing, a division of Pullman Incorporated, Owner, Lessor". Such markings reflect the prior ownership by the Predecessor of the Company. The Company will remove such markings from any Trust Equipment in its possession or hereafter to come into its possession and will use its best efforts to cause each of the aforementioned railroads and each sublessee of Trust Equipment under the subleases referred to in the first sentence of this

paragraph to remove such markings from the Trust Equipment as soon as practicable.

Any unit of Trust Equipment required to be marked pursuant to this Section 5.07 may be lettered, "Pullman Transport Leasing Company", or in some other appropriate manner for convenience of identification of the leasehold interest of the Company therein, and may also be lettered, in case of a sublease of any Trust Equipment made pursuant to Section 5.09 hereof, in such manner as may be appropriate for convenience of identification of the subleased interest therein; but, except as provided in the preceding paragraph, the Company, from and after the date hereof and during the continuance of the lease provided for herein, will not allow the name of any person, firm, association or corporation to be placed on or to remain on any unit of Trust Equipment as a designation which might be interpreted as a claim of ownership thereof by the Company or by any person, firm, association or corporation other than the Trustee.

SECTION 5.08. *Maintenance of Trust Equipment.* The Company agrees that it will maintain and keep or cause others to maintain and keep all the Trust Equipment in good order and proper repair without cost or expense to the Trustee, unless and until it becomes worn out, unsuitable for use, lost or destroyed. Whenever any of the Trust Equipment shall become worn out, unsuitable for use, lost or destroyed, the Company shall forthwith deliver to the Trustee an Engineer's Certificate describing such Trust Equipment and stating the fair value thereof as of the date such Trust Equipment became worn out, unsuitable for use, lost or destroyed, and shall deposit with the Trustee an amount in cash equal to such fair value. The rights and remedies of the Trustee to enforce or to recover any of the rental payments shall not be affected by reason of such wearing out, unsuitableness for use, loss or destruction. Cash deposited with the Trustee pursuant to this Section 5.08 shall be held and applied as provided in the fourth paragraph of Section 5.06. For all purposes of this paragraph, fair value shall be determined in the manner provided in subparagraph (1) of the penultimate paragraph of Section 5.06.

The Company covenants and agrees to furnish to the Trustee, whenever required by the Trustee, and at least once, on or before May 15, in every calendar year following the calendar year in which occurs

the first delivery of any of the Trust Equipment to the Trustee or its agent or agents hereunder and during the continuance of the lease provided for herein, (a) an Officers' Certificate, dated as of the preceding February 14, stating (1) the number of units of the Trust Equipment then covered hereby and then under sublease, together with a list of such sublessees and the units of Trust Equipment leased by each of them, (2) the amount, description and numbers of all Trust Equipment that may have become worn out, or that may have become unsuitable for use or lost or destroyed by accident or otherwise since the date of the last preceding statement (or the date of this Agreement in the case of the first statement), (3) the number of units of the Trust Equipment which the Company has been notified are then undergoing repairs, other than running repairs, or then withdrawn from use for such repairs and (4) that in the case of all the Trust Equipment repainted or repaired since the date of the last preceding statement (or the date of this Agreement in the case of the first statement) the plates or marks required by Section 5.07, if any, have been preserved, or that such Trust Equipment when repainted or repaired has been again plated or marked as required thereby and (b) an Opinion of Counsel to the effect that the marking of one or more units of Trust Equipment as provided in Section 5.07 hereof is not required by law to properly protect the title of the Trustee to the Trust Equipment or the rights of the holders of Trust Certificates. The Trustee, by its agents, shall have the right once in each calendar year, but shall be under no duty, to inspect the Trust Equipment at the then existing locations thereof.

SECTION 5.09. *Possession of Trust Equipment.* Except as provided in this Section 5.09, the Company will not assign or transfer its rights hereunder, or transfer or sublet the Trust Equipment or any part thereof or assign, pledge, mortgage, transfer or otherwise dispose of any rights under any sublease of any of the Trust Equipment, without the written consent of the Trustee first had and obtained; and the Company shall not, without such written consent, except as herein provided, part with the possession of, or suffer or allow to pass out of its possession or control, any of the Trust Equipment. An assignment or transfer to a corporation which shall acquire all or substantially all of the property of the Company and which, by execution of an appropriate instrument satisfactory to the Trustee, shall assume and agree

to perform each and all of the obligations and covenants of the Company hereunder and under the guaranty endorsed on the Trust Certificates shall not be deemed a breach of this covenant. The appointment of a receiver or receivers in equity or reorganization or a trustee or trustees in bankruptcy or reorganization for the Company or for its property shall not be deemed an unauthorized assignment if, prior to any action by the Trustee to exercise the remedies herein provided, such receiver or receivers or trustee or trustees shall be discharged or such receiver or receivers or trustee or trustees shall, pursuant to court order or decree, in writing duly assume and agree to pay or perform each and all of the obligations and covenants of the Company hereunder and under the guaranty endorsed on the Trust Certificates, in such manner that such obligations shall have the same status as obligations incurred by such receiver or receivers or trustee or trustees.

So long as the Company shall not be in default under this Agreement, the Company and any of its Affiliates shall be entitled to the possession and use of the Trust Equipment in accordance with the terms hereof, and the Company may also (a) furnish the Trust Equipment or any part thereof to railroad companies for use upon the lines of railroad owned or operated by them or over which they have trackage rights and upon connecting and other lines of railroad in the usual interchange traffic, or to others than railroad companies for use in their business, or (b) sublet all or any part of the Trust Equipment.

Any such sublease may provide that the sublessee, so long as it shall not be in default under such sublease, shall be entitled to the possession and use of the Trust Equipment covered thereby, and, subject to the provisions of Section 5.07, may provide for lettering or marking upon such Equipment for convenience of identification of the leasehold interest of such sublessee therein; *provided, however*, that anything in the foregoing provisions of this sentence to the contrary notwithstanding, any such sublease shall expressly provide that all or any part of the rights of the Company thereunder may be assigned, pledged, mortgaged, transferred or otherwise disposed of; and *provided, further*, that anything in the foregoing provisions of this sentence to the contrary notwithstanding, every such sublease shall expressly subject the right of the sublessee under such sublease to the rights of the trustee under any equipment trust agreement covering such Trust Equipment.

The Trustee shall have the right to declare the lease provided for herein terminated in case of any unauthorized assignment or transfer of the Company's rights hereunder or in case of any unauthorized transfer or sublease of any of the Trust Equipment. The election of the Trustee to terminate the lease provided for herein shall have the same effect as the retaking of the Trust Equipment by the Trustee as hereinafter provided.

SECTION 5.10. *Assignment of Lease Rentals and Other Payments.* Subject to the rights of the sublessee, the Company hereby assigns, transfers, and sets over unto the Trustee, as security for the payment and performance of all the Company's obligations under the lease provided for herein, (1) all the Company's right, title and interest as lessor in, to and under any sublease permitted by Section 5.09 of any units of Trust Equipment covered thereby, together with all rights, powers, privileges, options and other benefits of the Company as lessor under such sublease in respect of such units of Trust Equipment, including, but not limited to, the Company's right to receive and collect all rentals and other payments now or hereafter to become payable to or receivable by the Company under or pursuant to the provisions of such sublease and, in addition, (2) all the Company's right to receive and collect all per diem, mileage or other payments now or hereafter to become payable to or receivable by the Company in respect of the Trust Equipment whether under or pursuant to the provisions of any such sublease or otherwise; *provided, however*, that until the happening of an Event of Default, the Trustee shall not collect or receive any of such rentals or other payments or take any other action in respect thereof. The Company represents and warrants that it has not heretofore made, and agrees it will not hereafter make, in respect of the Trust Equipment, any other assignment of any such sublease or the rentals or other payments payable to or receivable by the Company under any such sublease or otherwise.

In addition to, and without in any way limiting, the powers conferred upon the Trustee by Sections 6.01 and 6.02, the Trustee may, upon the happening of an Event of Default and not otherwise, in the Trustee's own name, or in the name of the Trustee's nominee, or in the name of the Company or as the Company's attorney, (i) ask, demand, sue for, collect and receive any and all rentals or per diem,

mileage or other payments to which the Company is or may become entitled in respect of the Trust Equipment, and (ii) with respect to any sublease permitted by Section 5.09 to which any units of Trust Equipment shall then be subject, enforce compliance by the lessee under such sublease with all the terms and provisions thereof and make all waivers and agreements, give all notices, consents and releases, take all action upon the happening of an event of default specified in such sublease, and do any and all other things whatsoever which the Company, as lessor, is or may become entitled to do under such sublease.

The assignment made by this Section 5.10 is made only as security and, therefore, shall not subject the Trustee to, or transfer, or pass, or in any way affect or modify, the liability of the Company under any sublease or otherwise, it being understood that notwithstanding such assignment all obligations of the Company under any sublease or otherwise shall be and remain enforceable against, and only against, the Company.

Upon the full discharge and satisfaction of the Company's obligations under the lease provided for herein, the assignment made by this Section 5.10 shall terminate and all right, title and interest of the Trustee as assignee hereunder in and to any sublease or any payments in respect of the Trust Equipment shall revert to the Company.

The Company covenants and agrees with the Trustee that in any suit, proceeding or action brought by the Trustee pursuant to the provisions of this Section 5.10 for any rentals or per diem, mileage or other payments in respect of the Trust Equipment, whether under or pursuant to the provisions of any sublease or otherwise, or to enforce any provisions of any sublease, the Company will save, indemnify and keep the Trustees harmless from and against all expense, loss or damage suffered by reason of any defense, setoff, counterclaim or recoupment whatsoever.

SECTION 5.11. *Patent Indemnity.* The Company covenants and agrees to indemnify the Trustee against any and all claims arising out of or connected with the ownership or use of any of the Trust Equipment, and particularly against any and all claims arising out of the use

of any patented inventions in and about the Trust Equipment, and to comply in all respects with the laws of the United States of America and of all the states and other jurisdictions in which the Trust Equipment, or any thereof, may be operated, and with all lawful acts, rules, regulations and orders of any commissions, boards and other legislative, executive, administrative or judicial bodies or officers having power to regulate or supervise any of the Trust Equipment, including without limitation all lawful acts, rules, regulations and orders of any body having competent jurisdiction relating to automatic coupler devices or attachments, air brakes or other appliances; *provided, however*, that the Company may in good faith contest the validity of any such law, act, rule, regulation or order, or the application thereof to the Trust Equipment or any part thereof, in any reasonable manner which will not in the judgment of the Trustee materially endanger the rights or interests of the Trustee or of the holders of the Trust Certificates. The Company shall not be relieved from any of its obligations hereunder by reason of the assertion or enforcement of any such claims or the commencement or prosecution of any litigation in respect thereof. This covenant of indemnity shall continue in full force and effect notwithstanding the full payment of principal and interest on the Trust Certificates and the conveyance of the Trust Equipment, as provided in Section 5.05 hereof, or the termination of this Agreement in any manner whatsoever.

The Company will bear the risk of, and shall not be released from its obligations hereunder in the event of, any damage to or the destruction or loss of any unit of or all of the Trust Equipment.

ARTICLE SIX

REMEDIES IN EVENT OF DEFAULT

SECTION 6.01. *Events of Default.* The Company covenants and agrees that in case

(a) the Company shall default in the payment of any part of the rental payable hereunder (including advance rental) for more than 30 days after the same shall have become due and payable, or

(b) the Company shall make or suffer any unauthorized assignment or transfer of its rights hereunder or shall make any un-

authorized transfer or sublease of any unit of the Trust Equipment, or, except as herein authorized, shall part with the possession of any unit of the Trust Equipment, and shall fail or refuse either to cause such assignment or transfer or sublease to be canceled by agreement of all parties having any interest therein and recover possession of such Trust Equipment within 30 days after the Trustee shall have demanded in writing such cancellation and recovery of possession, or within said 30 days to deposit with the Trustee a sum in cash equal to the Cost, less an amount equal to 3.6% in the case of tank cars and 4.5% in the case of all other Trust Equipment of such Cost for each full period of one year between the date such unit was first put into use and the date on which the Trustee shall have demanded in writing such cancellation and recovery of possession or, in the case of Trust Equipment conveyed to the Trustee pursuant to Section 5.06 hereof, the fair value (as of the date of conveyance) less depreciation at the rate of 3.6% in the case of tank cars and 4.5% in the case of all other Trust Equipment for each full period of one year from such date of conveyance, of the Trust Equipment so assigned or transferred or subleased or the possession of which shall have been parted with otherwise than as herein authorized, as certified to the Trustee pursuant to Section 4.04 or Section 5.06 (any sum so deposited to be returned to the Company upon the cancellation of such assignment, transfer or sublease and the recovery of possession by the Company of such Trust Equipment), or

(c) the Company shall, for more than 60 days after the Trustee shall have demanded in writing performance thereof, fail or refuse to comply with any other of the terms and covenants hereof on its part to be kept and performed, or to make provision satisfactory to the Trustee for such compliance, or

(d) an event of default shall occur under any lease, agreement, equipment trust agreement or indenture under which the Company is an obligor and the Trustee is also acting as trustee thereunder (the term "event of default" being used in this subparagraph (d) to mean any event which, after any applicable notice and/or period of grace provided for in the instrument in question, permits the trustee thereunder to declare the principal amount of the obligation issued or secured thereby to become immediately due and payable),

then, in any such case (herein sometimes called an Event of Default), the Trustee, by notice in writing to the Company, or the holders of not less than 25% in principal amount of the then outstanding Trust Certificates, by notice in writing to the Company and the Trustee, may declare to be due and payable forthwith the entire amount of the rentals (including any unpaid advance rental, but not including rentals required for the payment of interest accruing after the date of such declaration or rentals payable pursuant to Section 5.04(B)(4) after the date of such declaration) payable by the Company as set forth in Section 5.04 and not theretofore paid. Thereupon the entire amount of such rentals shall forthwith become and shall be due and payable immediately without further demand, together with interest at the respective rates per annum set forth in the outstanding Trust Certificates, to the extent legally enforceable, on any portion thereof overdue.

In addition, in case one or more Events of Default shall happen, the Trustee, by notice in writing to the Company, or the holders of not less than 25% in principal amount of the then outstanding Trust Certificates, by notice in writing to the Company and the Trustee, may declare the principal of all the Trust Certificates then outstanding to be due and payable, and thereupon the same shall become and be immediately due and payable.

In case the Company shall fail to pay any instalment of rental payable pursuant to Section 5.04(B)(3), (B)(4) or (B)(5) when and as the same shall have become due and payable hereunder, and such default shall have continued for a period of 30 days, the Trustee, in its own name and as trustee of an express trust, shall be entitled and empowered to institute any action or proceedings at law or in equity for the collection of the rentals so due and unpaid, and may prosecute any such action or proceedings to judgment or final decree, and may enforce any such judgment or final decree against the Company or other obligor upon the Trust Certificates and collect in the manner provided by law out of the property of the Company or other obligor upon the Trust Certificates wherever situated the moneys adjudged or decreed to be payable.

In case there shall be pending proceedings for the bankruptcy or for the reorganization of the Company or any other obligor upon the Trust Certificates under the Bankruptcy Act or any other applicable

law, or in case a receiver or trustee shall have been appointed for the property of the Company or such other obligor, or in case of any other judicial proceedings relative to the Company or such other obligor, or to the creditors or property of the Company or such other obligor, the Trustee, irrespective of whether the rental payments hereunder or the principal of the Trust Certificates shall then be due and payable as herein or therein expressed whether by declaration or otherwise and irrespective of whether the Trustee shall have made any demand or declaration pursuant to the provisions of this Section 6.01, shall be entitled and empowered, by intervention in such proceedings or otherwise, to file and prove a claim or claims for the entire amount of the rentals (including any unpaid advance rental, but not including rentals required for the payment of interest accruing after the date of such declaration or rentals payable pursuant to Section 5.04(B)(4) after the date of such claim or claims) and to file such other papers or documents as may be necessary or advisable in order to have the claims of the Trustee (including any claim for reasonable compensation to the Trustee, its agents, attorneys and counsel, and for reimbursement of all expenses and liabilities incurred, and all advances made, by the Trustee except as a result of its negligence or bad faith) and of the holders of the Trust Certificates allowed in such proceedings and to collect and receive any moneys or other property payable or deliverable on any such claims, and to distribute all amounts received with respect to the claims of the holders of the Trust Certificates and of the Trustee on their behalf; and any receiver, assignee or trustee in bankruptcy or reorganization is hereby authorized by each of the holders of the Trust Certificates to make payments to the Trustee, and, in the event that the Trustee shall consent to the making of payments directly to the holders of the Trust Certificates, to pay to the Trustee such amount as shall be sufficient to cover reasonable compensation to the Trustee, its agents, attorneys and counsel, and all other expenses and liabilities incurred, and all advances made, by the Trustee except as a result of its negligence or bad faith.

All rights of action and to assert claims under this Agreement, or under any of the Trust Certificates, may be enforced by the Trustee without the possession of any of the Trust Certificates or the production thereof on any trial or other proceedings relative thereto, and any such

action or proceedings instituted by the Trustee shall be brought in its own name as trustee of an express trust, and any recovery of judgment shall be for the ratable benefit of the holders of the Trust Certificates. In any proceedings brought by the Trustee (and also any proceedings involving the interpretation of any provision of this Agreement to which the Trustee shall be a party) the Trustee shall be held to represent all the holders of the Trust Certificates, and it shall not be necessary to make any holders of the Trust Certificates parties to such proceedings.

SECTION 6.02. *Remedies.* In case of the happening of any Event of Default, the Trustee (a) may by its agents enter upon the premises of the Company and of any Affiliate of the Company or of any sublessee where any of the Trust Equipment may be and take possession of all or any part of the Trust Equipment and withdraw the same from said premises, retaining all payments which up to that time may have been made on account of rental for the Trust Equipment and otherwise, (b) shall be entitled to collect, receive and retain all per diem, mileage, sublease rentals or other charges of any kind then due on account of or thereafter earned by the Trust Equipment or any part thereof, and (c) may lease the Trust Equipment or any part thereof, or (d) with or without retaking possession thereof (but only after declaring due and payable the entire amount of rentals payable by the Company as provided in Section 6.01 hereof) may sell the same or any part thereof, free from any and all claims of the Company at law or in equity, in one lot and as an entirety or in separate lots, insofar as may be necessary to perform and fulfill the trust hereunder, at public or private sale, for cash or upon credit, in its discretion, and may proceed otherwise to enforce its rights and the rights of the holders of interests hereunder in the manner herein provided. Upon any such sale, the Trustee itself may bid for the property offered for sale or any part thereof. Any such sale may be held or conducted at such place and at such time as the Trustee may specify, or as may be required by law, and without gathering at the place of sale the Trust Equipment to be sold, and in general in such manner as the Trustee may determine, but so that the Company may and shall have a reasonable opportunity to bid at any such sale. Upon such taking possession or withdrawal or lease or sale of the Trust Equipment, the Company shall cease to have any rights or remedies in respect of the Trust Equipment here-

under, but all such rights and remedies shall be deemed thenceforth to have been waived and surrendered by the Company, and no payments theretofore made by the Company for the rent or use of the Trust Equipment or any of it shall, in case of the happening of any Event of Default and such taking possession, withdrawal, lease or sale by the Trustee, give to the Company any legal or equitable interest or title in or to the Trust Equipment or any of it or any cause or right of action at law or in equity in respect of the Trust Equipment against the Trustee or the holders of interests hereunder. No such taking possession, withdrawal, lease or sale of the Trust Equipment by the Trustee shall be a bar to the recovery by the Trustee from the Company of rentals then or thereafter due and payable, and the Company shall be and remain liable for the same until such sums shall have been realized as, with the proceeds of the lease or sale of the Trust Equipment, shall be sufficient for the discharge and payment in full of all the items mentioned in Section 5.04 (other than interest not then accrued or rentals payable pursuant to Section 5.04(B)(4) due after the date of the declaration referred to in Section 6.01), whether or not they shall have then matured.

SECTION 6.03. *Application of Proceeds.* If, in case of the happening of any Event of Default, the Trustee shall exercise any of the powers conferred upon it by Sections 6.01 and 6.02, all payments made by the Company to the Trustee hereunder after such Event of Default, and the proceeds of any judgment collected from the Company by the Trustee hereunder, and the proceeds of every sale or lease by the Trustee hereunder of any of the Trust Equipment, together with any other sums which may then be held by the Trustee under any of the provisions hereof (other than sums held in trust for the payment of specific Trust Certificates), shall be applied by the Trustee to the payment, in the following order of priority, (a) of all proper charges, expenses or advances made or incurred by the Trustee in accordance with the provisions of this Agreement and (b) of the interest then due, with interest on overdue interest with respect to any Trust Certificate at the rate per annum set forth in such Trust Certificate to the extent legally enforceable, and of the principal of all the outstanding Trust Certificates, with interest on each such Trust Certificate at the rate per annum set forth in such Trust Certificate to the

extent legally enforceable from the last preceding interest payment date, whether such Trust Certificates shall have then matured by their terms or not, all such payments to be in full if such proceeds shall be sufficient, and if not sufficient, then *pro rata* without preference between principal and interest.

After all such payments shall have been made in full, the title to any of the Trust Equipment remaining unsold shall be conveyed by the Trustee to the Company free from any further liabilities or obligations to the Trustee hereunder. If after applying all such sums of money realized by the Trustee as aforesaid there shall remain any amount due to the Trustee under the provisions hereof, the Company agrees to pay the amount of such deficit to the Trustee. If after applying as aforesaid the sums of money realized by the Trustee there shall remain a surplus in the possession of the Trustee, such surplus shall be paid to the Company.

SECTION 6.04. *Waivers of Default.* Prior to the declaration of the acceleration of the maturity of the rentals and of the maturity of all the Trust Certificates as provided in Section 6.01, the holders of a majority in aggregate principal amount of the Trust Certificates at the time outstanding may on behalf of the holders of all the Trust Certificates waive any past Event of Default and its consequences, except an Event of Default in the payment of any instalment of rental payable pursuant to Section 5.04(B)(3), (B)(4) or (B)(5), but no such waiver shall extend to or affect any subsequent default or impair any right consequent thereon.

If at any time after the principal of all the Trust Certificates shall have been declared and become due and payable or if at any time after the entire amount of rentals shall have been declared and become due and payable, all as in Section 6.01 provided, but before June 15, 1992, all arrears of rent (with interest at the respective rates per annum set forth in the outstanding Trust Certificates upon any overdue instalments, to the extent legally enforceable), the expenses and reasonable compensation of the Trustee, together with all expenses of the trust occasioned by the Company's default, and all other sums which shall have become due and payable by the Company hereunder (other than the principal of Trust Certificates, and any other rental

instalments, which shall not at the time have matured according to their terms) shall be paid by the Company before any sale or lease by the Trustee of any of the Trust Equipment, and every other default in the observance or performance of any covenant or condition hereof shall be made good or secured to the satisfaction of the Trustee, or provision deemed by the Trustee to be adequate shall be made therefor, then, and in every such case, the Trustee, if so requested by the holders of a majority in principal amount of the Trust Certificates then outstanding, shall by written notice to the Company waive the default by reason of which there shall have been such declaration or declarations and the consequences of such default, but no such waiver shall extend to or affect any subsequent default or impair any right consequent thereon.

SECTION 6.05. *Obligations of Company Not Affected by Remedies.* No retaking of possession of the Trust Equipment by the Trustee, or any withdrawal, lease or sale thereof, nor any action or failure or omission to act against the Company or in respect of the Trust Equipment, on the part of the Trustee or on the part of the holder of any Trust Certificate, nor any delay or indulgence granted to the Company by the Trustee or by any such holder, shall affect the obligations of the Company hereunder or the obligations of the Company under the guaranty endorsed on the Trust Certificates. The Company hereby waives presentation and demand in respect of any of the Trust Certificates and waives notice of presentation, of demand and of any default in the payment of the principal of and interest on the Trust Certificates.

SECTION 6.06. *Company to Deliver Trust Equipment to Trustee.* In case the Trustee shall rightfully demand possession of any of the Trust Equipment, the Company will, at its own expense, forthwith and in the usual manner and at usual speed, cause such Trust Equipment to be drawn to such point or points as shall reasonably be designated by the Trustee and will there deliver or cause to be delivered the same to the Trustee; or, at the option of the Trustee, the Trustee may keep such Trust Equipment, at the expense of the Company, on any lines of railroad or premises approved by the Trustee until the Trustee shall have leased, sold or otherwise disposed

tificates will not be materially endangered thereby and the Company shall have furnished the Trustee with an Opinion of Counsel to such effect.

SECTION 5.05. *Termination of Lease.* At the termination of the lease provided herein and after all payments due or to become due from the Company hereunder shall have been completed and fully made to the Trustee (1) such payments shall be applied and treated as purchase money and as the full purchase price of the Trust Equipment, (2) any moneys remaining in the hands of the Trustee after providing for payment in full of all outstanding Trust Certificates and after paying the expenses of the Trustee, including its reasonable compensation, shall be paid to the Company, (3) title to all the Trust Equipment shall vest in the Company and (4) the Trustee shall execute for record in public offices, at the expense of the Company, such instrument or instruments in writing as reasonably shall be requested by the Company in order to make clear upon public records the Company's title to all the Trust Equipment under the laws of any jurisdiction; *provided, however*, that until that time title to the Trust Equipment shall not pass to or vest in the Company, but title to and ownership of all the Trust Equipment shall be and remain in the Trustee, notwithstanding the delivery of the Trust Equipment to and the possession and use thereof by the Company.

SECTION 5.06. *Substitution and Replacement of Equipment.* Upon Request, the Trustee shall, at any time and from time to time, execute and deliver a bill of sale assigning and transferring to the transferee named by the Company all the right, title and interest of the Trustee in and to any or all of the Trust Equipment; *provided, however*, that none of the Trust Equipment shall be so assigned or transferred (except as provided in Section 5.05) unless simultaneously (a) there shall be conveyed to the Trustee other Equipment of a fair value to the Company not less than the fair value, as of the date of such Request, of the Trust Equipment so assigned or transferred by the Trustee or (b) there shall be paid to the Trustee cash in an amount not less than the fair value, as of said date, of the Trust Equipment so assigned or transferred by the Trustee.

At the time of delivery of any Request pursuant to the first paragraph of this Section 5.06, the Company shall, if other Equipment is

to be conveyed to the Trustee in substitution for the Trust Equipment to be assigned or transferred by the Trustee, deliver to the Trustee the following papers:

(1) an Engineer's Certificate stating (i) the fair value, as of the date of said Request, of the Trust Equipment so to be assigned or transferred by the Trustee, (ii) that such assignment or transfer will not impair the security under this Agreement in contravention of the provisions hereof and (iii) the fair value to the Company of such substituted units of Equipment as of such date;

(2) an Officers' Certificate stating (i) the date each unit of Trust Equipment so to be assigned or transferred by the Trustee was first put into use (or that such unit was first put into use not later than a specified date), (ii) the original Cost of each unit of the Equipment so to be substituted and the date it was first put into use (or that such unit was first put into use not earlier than a specified date), (iii) that each such unit so to be substituted is Equipment as herein defined, (iv) that no Event of Default has occurred and is continuing and (v) that, in the opinions of the signers, all conditions precedent provided for in this Agreement, relating to such substitution, have been complied with;

(3) a certificate and a bill or bills of sale in respect of such substituted Equipment as provided for in subparagraphs (a) and (d) of the first paragraph of Section 4.04; and

(4) an Opinion of Counsel to the effect (i) that such bill or bills of sale are valid and effective, either alone or together with any other instruments referred to in and accompanying such opinion, to vest in the Trustee title to such substituted Equipment free from all liens and encumbrances (including any leasehold interest therein) other than subleases permitted by Section 5.09 hereof and other than the rights of the Company hereunder, (ii) that a proper supplement hereto in respect of such substituted Equipment has been duly executed by the Trustee and the Company and (iii) that, in the opinion of such counsel, all conditions precedent provided for in this Agreement, with respect to such substitution, have been complied with.

If the fair value of the Trust Equipment to be assigned or transferred by the Trustee, together with all other property so assigned or trans-

ferred since the commencement of the then current calendar year, as set forth in the certificate or certificates required by this Section 5.06, is 10% or more of the aggregate principal amount of Trust Certificates at the time outstanding, the Engineer's Certificate referred to in subparagraph (1) above shall be signed by an Independent Engineer unless the fair value of the Trust Equipment to be assigned or transferred, as set forth in such certificate, is less than \$25,000 or less than 1% of the aggregate principal amount of Trust Certificates at the time outstanding. If any Equipment to be conveyed to the Trustee pursuant to this Section 5.06 has, within six months prior to the date of its acquisition by the Company, been used or operated, by a person or persons other than the Company or its Predecessor, in a business similar to that in which it has been or is to be used or operated by the Company and the fair value to the Company of such Equipment is not less than \$25,000 and not less than 1% of the aggregate principal amount of Trust Certificates at the time outstanding, the Engineer's Certificate referred to in subparagraph (1) above shall be signed by an Independent Engineer.

At the time of delivery of any Request pursuant to the first paragraph of this Section 5.06, the Company shall, if cash is to be paid to the Trustee in respect of the Trust Equipment to be assigned or transferred by the Trustee, deliver to the Trustee papers corresponding to those set forth in the second paragraph of this Section 5.06 in so far as they relate to the action requested.

Cash deposited with the Trustee pursuant to this Section 5.06 or pursuant to Section 5.08 shall, from time to time, be paid over by the Trustee to the Company upon Request, against conveyance to the Trustee of Equipment having a fair value, as of the date of said Request, not less than the amount of cash so paid, and upon compliance by the Company with all of the provisions of the second paragraph of this Section 5.06 (including an Engineer's Certificate corresponding to that required by subparagraph (1) of said second paragraph with respect to said Equipment) in so far as they relate to the action requested.

For all purposes of this Section 5.06, where fair value is not required to be determined by an Independent Engineer, fair value shall be determined as follows (and the manner of such determination shall be set forth in each Engineer's Certificate furnished in respect thereof,

including a statement of actual fair value or fair value to the Company, as the case may be, without reference to the provisions of subdivision (b) of subparagraphs (1) and (2) of this paragraph):

(1) The fair value of any unit of Trust Equipment assigned or transferred by the Trustee as provided in this Section 5.06 shall be deemed to be the greater of (a) the actual fair value thereof and (b) the Cost thereof as theretofore certified to the Trustee less an amount equal to 3.6% in the case of tank cars and 4.5% in the case of all other Trust Equipment, of such Cost for each full period of one year elapsed between the date such unit was first put into use as certified to the Trustee and the date as of which fair value is to be determined.

(2) The fair value to the Company of any unit of Equipment conveyed to the Trustee as provided in this Section 5.06 shall be deemed to be the lesser of (a) the actual fair value to the Company thereof and (b) the Cost of such unit, if new, or, in case of any unit of Equipment not new, (i) the depreciated book value thereof on the books of the owner thereof, as of the date of the transfer thereof to the Trustee, or (ii) the Cost thereof, less an amount equal to 3.6% in the case of tank cars and 4.5% in the case of all other Trust Equipment, of such Cost for each full period of one year elapsed between the date such unit was first put into use and the date of the transfer thereof to the Trustee or (iii) the value thereof, as of said last mentioned date, as determined in accordance with the Code of Rules Governing the Condition of and Repairs to Freight and Passenger Cars for the Interchange of Traffic, Adopted by the Association of American Railroads, Operations and Maintenance Department, Mechanical Division, as in effect at the time in question (or, if there is no such Code then in effect, sound accounting principles), whichever shall be less.

For all purposes of this Section 5.06, where fair value is required to be determined by an Independent Engineer such fair value shall be determined without requiring reference to the provisions of subparagraphs (1) and (2) of the next preceding paragraph.

SECTION 5.07. *Marking of Trust Equipment.* The Company agrees that if the Opinion of Counsel specified in Section 5.08 hereof shall not be delivered to the Trustee as provided in said Section 5.08 or if, in the opinion of the Company, marking of one or more units of Trust

Equipment is required by law to properly protect the title of the Trustee to the Trust Equipment or the rights of the holders of Trust Certificates, the Company will, as soon as practicable after determining that such marking is required or after the failure of the Company to deliver the aforementioned Opinion of Counsel, arrange for the marking of each such unit of Trust Equipment in the following manner. There shall be plainly, distinctly, permanently and conspicuously placed and fastened upon each side of each such unit a metal plate bearing the following words, or such words shall be otherwise plainly, distinctly, permanently and conspicuously marked on each side of such unit, in either case in letters not less than seven-sixteenths of one inch in height:

TITLE TO THIS CAR IS VESTED IN A TRUSTEE UNDER AN EQUIPMENT TRUST AGREEMENT RECORDED UNDER SECTION 20C OF THE INTERSTATE COMMERCE ACT.

Such plates or marks shall be such as to be readily visible and as to indicate plainly the Trustee's ownership of each such unit of the Trust Equipment.

In case, prior to the termination of the lease provided for herein, any of such plates or marks shall at any time be removed, defaced or destroyed, the Company shall forthwith cause the same to be restored or replaced. The Company shall not change, or permit to be changed, the numbers of any of the Trust Equipment at any time covered hereby (or any numbers which may have been substituted as herein provided) except in accordance with a statement of new numbers to be substituted therefor which previously shall have been filed with the Trustee by the Company and which shall be filed and recorded in like manner as this Agreement.

Certain of the units of Equipment which are being furnished at the date hereof to railroads as permitted by Section 5.09 or which are at the date hereof under leases which will qualify as subleases permitted by Section 5.09 are marked: "Transport Leasing, a division of Pullman Incorporated, Owner, Lessor". Such markings reflect the prior ownership by the Predecessor of the Company. The Company will remove such markings from any Trust Equipment in its possession or hereafter to come into its possession and will use its best efforts to cause each of the aforementioned railroads and each sublessee of Trust Equipment under the subleases referred to in the first sentence of this

paragraph to remove such markings from the Trust Equipment as soon as practicable.

Any unit of Trust Equipment required to be marked pursuant to this Section 5.07 may be lettered, "Pullman Transport Leasing Company", or in some other appropriate manner for convenience of identification of the leasehold interest of the Company therein, and may also be lettered, in case of a sublease of any Trust Equipment made pursuant to Section 5.09 hereof, in such manner as may be appropriate for convenience of identification of the subleased interest therein; but, except as provided in the preceding paragraph, the Company, from and after the date hereof and during the continuance of the lease provided for herein, will not allow the name of any person, firm, association or corporation to be placed on or to remain on any unit of Trust Equipment as a designation which might be interpreted as a claim of ownership thereof by the Company or by any person, firm, association or corporation other than the Trustee.

SECTION 5.08. *Maintenance of Trust Equipment.* The Company agrees that it will maintain and keep or cause others to maintain and keep all the Trust Equipment in good order and proper repair without cost or expense to the Trustee, unless and until it becomes worn out, unsuitable for use, lost or destroyed. Whenever any of the Trust Equipment shall become worn out, unsuitable for use, lost or destroyed, the Company shall forthwith deliver to the Trustee an Engineer's Certificate describing such Trust Equipment and stating the fair value thereof as of the date such Trust Equipment became worn out, unsuitable for use, lost or destroyed, and shall deposit with the Trustee an amount in cash equal to such fair value. The rights and remedies of the Trustee to enforce or to recover any of the rental payments shall not be affected by reason of such wearing out, unsuitableness for use, loss or destruction. Cash deposited with the Trustee pursuant to this Section 5.08 shall be held and applied as provided in the fourth paragraph of Section 5.06. For all purposes of this paragraph, fair value shall be determined in the manner provided in subparagraph (1) of the penultimate paragraph of Section 5.06.

The Company covenants and agrees to furnish to the Trustee, whenever required by the Trustee, and at least once, on or before May 15, in every calendar year following the calendar year in which occurs

the first delivery of any of the Trust Equipment to the Trustee or its agent or agents hereunder and during the continuance of the lease provided for herein, (a) an Officers' Certificate, dated as of the preceding February 14, stating (1) the number of units of the Trust Equipment then covered hereby and then under sublease, together with a list of such sublessees and the units of Trust Equipment leased by each of them, (2) the amount, description and numbers of all Trust Equipment that may have become worn out, or that may have become unsuitable for use or lost or destroyed by accident or otherwise since the date of the last preceding statement (or the date of this Agreement in the case of the first statement), (3) the number of units of the Trust Equipment which the Company has been notified are then undergoing repairs, other than running repairs, or then withdrawn from use for such repairs and (4) that in the case of all the Trust Equipment repainted or repaired since the date of the last preceding statement (or the date of this Agreement in the case of the first statement) the plates or marks required by Section 5.07, if any, have been preserved, or that such Trust Equipment when repainted or repaired has been again plated or marked as required thereby and (b) an Opinion of Counsel to the effect that the marking of one or more units of Trust Equipment as provided in Section 5.07 hereof is not required by law to properly protect the title of the Trustee to the Trust Equipment or the rights of the holders of Trust Certificates. The Trustee, by its agents, shall have the right once in each calendar year, but shall be under no duty, to inspect the Trust Equipment at the then existing locations thereof.

SECTION 5.09. *Possession of Trust Equipment.* Except as provided in this Section 5.09, the Company will not assign or transfer its rights hereunder, or transfer or sublet the Trust Equipment or any part thereof or assign, pledge, mortgage, transfer or otherwise dispose of any rights under any sublease of any of the Trust Equipment, without the written consent of the Trustee first had and obtained; and the Company shall not, without such written consent, except as herein provided, part with the possession of, or suffer or allow to pass out of its possession or control, any of the Trust Equipment. An assignment or transfer to a corporation which shall acquire all or substantially all of the property of the Company and which, by execution of an appropriate instrument satisfactory to the Trustee, shall assume and agree

to perform each and all of the obligations and covenants of the Company hereunder and under the guaranty endorsed on the Trust Certificates shall not be deemed a breach of this covenant. The appointment of a receiver or receivers in equity or reorganization or a trustee or trustees in bankruptcy or reorganization for the Company or for its property shall not be deemed an unauthorized assignment if, prior to any action by the Trustee to exercise the remedies herein provided, such receiver or receivers or trustee or trustees shall be discharged or such receiver or receivers or trustee or trustees shall, pursuant to court order or decree, in writing duly assume and agree to pay or perform each and all of the obligations and covenants of the Company hereunder and under the guaranty endorsed on the Trust Certificates, in such manner that such obligations shall have the same status as obligations incurred by such receiver or receivers or trustee or trustees.

So long as the Company shall not be in default under this Agreement, the Company and any of its Affiliates shall be entitled to the possession and use of the Trust Equipment in accordance with the terms hereof, and the Company may also (a) furnish the Trust Equipment or any part thereof to railroad companies for use upon the lines of railroad owned or operated by them or over which they have trackage rights and upon connecting and other lines of railroad in the usual interchange traffic, or to others than railroad companies for use in their business, or (b) sublet all or any part of the Trust Equipment.

Any such sublease may provide that the sublessee, so long as it shall not be in default under such sublease, shall be entitled to the possession and use of the Trust Equipment covered thereby, and, subject to the provisions of Section 5.07, may provide for lettering or marking upon such Equipment for convenience of identification of the leasehold interest of such sublessee therein; *provided, however*, that anything in the foregoing provisions of this sentence to the contrary notwithstanding, any such sublease shall expressly provide that all or any part of the rights of the Company thereunder may be assigned, pledged, mortgaged, transferred or otherwise disposed of; and *provided, further*, that anything in the foregoing provisions of this sentence to the contrary notwithstanding, every such sublease shall expressly subject the right of the sublessee under such sublease to the rights of the trustee under any equipment trust agreement covering such Trust Equipment.

The Trustee shall have the right to declare the lease provided for herein terminated in case of any unauthorized assignment or transfer of the Company's rights hereunder or in case of any unauthorized transfer or sublease of any of the Trust Equipment. The election of the Trustee to terminate the lease provided for herein shall have the same effect as the retaking of the Trust Equipment by the Trustee as hereinafter provided.

SECTION 5.10. *Assignment of Lease Rentals and Other Payments.* Subject to the rights of the sublessee, the Company hereby assigns, transfers, and sets over unto the Trustee, as security for the payment and performance of all the Company's obligations under the lease provided for herein, (1) all the Company's right, title and interest as lessor in, to and under any sublease permitted by Section 5.09 of any units of Trust Equipment covered thereby, together with all rights, powers, privileges, options and other benefits of the Company as lessor under such sublease in respect of such units of Trust Equipment, including, but not limited to, the Company's right to receive and collect all rentals and other payments now or hereafter to become payable to or receivable by the Company under or pursuant to the provisions of such sublease and, in addition, (2) all the Company's right to receive and collect all per diem, mileage or other payments now or hereafter to become payable to or receivable by the Company in respect of the Trust Equipment whether under or pursuant to the provisions of any such sublease or otherwise; *provided, however*, that until the happening of an Event of Default, the Trustee shall not collect or receive any of such rentals or other payments or take any other action in respect thereof. The Company represents and warrants that it has not heretofore made, and agrees it will not hereafter make, in respect of the Trust Equipment, any other assignment of any such sublease or the rentals or other payments payable to or receivable by the Company under any such sublease or otherwise.

In addition to, and without in any way limiting, the powers conferred upon the Trustee by Sections 6.01 and 6.02, the Trustee may, upon the happening of an Event of Default and not otherwise, in the Trustee's own name, or in the name of the Trustee's nominee, or in the name of the Company or as the Company's attorney, (i) ask, demand, sue for, collect and receive any and all rentals or per diem,

mileage or other payments to which the Company is or may become entitled in respect of the Trust Equipment, and (ii) with respect to any sublease permitted by Section 5.09 to which any units of Trust Equipment shall then be subject, enforce compliance by the lessee under such sublease with all the terms and provisions thereof and make all waivers and agreements, give all notices, consents and releases, take all action upon the happening of an event of default specified in such sublease, and do any and all other things whatsoever which the Company, as lessor, is or may become entitled to do under such sublease.

The assignment made by this Section 5.10 is made only as security and, therefore, shall not subject the Trustee to, or transfer, or pass, or in any way affect or modify, the liability of the Company under any sublease or otherwise, it being understood that notwithstanding such assignment all obligations of the Company under any sublease or otherwise shall be and remain enforceable against, and only against, the Company.

Upon the full discharge and satisfaction of the Company's obligations under the lease provided for herein, the assignment made by this Section 5.10 shall terminate and all right, title and interest of the Trustee as assignee hereunder in and to any sublease or any payments in respect of the Trust Equipment shall revert to the Company.

The Company covenants and agrees with the Trustee that in any suit, proceeding or action brought by the Trustee pursuant to the provisions of this Section 5.10 for any rentals or per diem, mileage or other payments in respect of the Trust Equipment, whether under or pursuant to the provisions of any sublease or otherwise, or to enforce any provisions of any sublease, the Company will save, indemnify and keep the Trustees harmless from and against all expense, loss or damage suffered by reason of any defense, setoff, counterclaim or recoupment whatsoever.

SECTION 5.11. *Patent Indemnity.* The Company covenants and agrees to indemnify the Trustee against any and all claims arising out of or connected with the ownership or use of any of the Trust Equipment, and particularly against any and all claims arising out of the use

of any patented inventions in and about the Trust Equipment, and to comply in all respects with the laws of the United States of America and of all the states and other jurisdictions in which the Trust Equipment, or any thereof, may be operated, and with all lawful acts, rules, regulations and orders of any commissions, boards and other legislative, executive, administrative or judicial bodies or officers having power to regulate or supervise any of the Trust Equipment, including without limitation all lawful acts, rules, regulations and orders of any body having competent jurisdiction relating to automatic coupler devices or attachments, air brakes or other appliances; *provided, however*, that the Company may in good faith contest the validity of any such law, act, rule, regulation or order, or the application thereof to the Trust Equipment or any part thereof, in any reasonable manner which will not in the judgment of the Trustee materially endanger the rights or interests of the Trustee or of the holders of the Trust Certificates. The Company shall not be relieved from any of its obligations hereunder by reason of the assertion or enforcement of any such claims or the commencement or prosecution of any litigation in respect thereof. This covenant of indemnity shall continue in full force and effect notwithstanding the full payment of principal and interest on the Trust Certificates and the conveyance of the Trust Equipment, as provided in Section 5.05 hereof, or the termination of this Agreement in any manner whatsoever.

The Company will bear the risk of, and shall not be released from its obligations hereunder in the event of, any damage to or the destruction or loss of any unit of or all of the Trust Equipment.

ARTICLE SIX

REMEDIES IN EVENT OF DEFAULT

SECTION 6.01. *Events of Default.* The Company covenants and agrees that in case

(a) the Company shall default in the payment of any part of the rental payable hereunder (including advance rental) for more than 30 days after the same shall have become due and payable, or

(b) the Company shall make or suffer any unauthorized assignment or transfer of its rights hereunder or shall make any un-

authorized transfer or sublease of any unit of the Trust Equipment, or, except as herein authorized, shall part with the possession of any unit of the Trust Equipment, and shall fail or refuse either to cause such assignment or transfer or sublease to be canceled by agreement of all parties having any interest therein and recover possession of such Trust Equipment within 30 days after the Trustee shall have demanded in writing such cancellation and recovery of possession, or within said 30 days to deposit with the Trustee a sum in cash equal to the Cost, less an amount equal to 3.6% in the case of tank cars and 4.5% in the case of all other Trust Equipment of such Cost for each full period of one year between the date such unit was first put into use and the date on which the Trustee shall have demanded in writing such cancellation and recovery of possession or, in the case of Trust Equipment conveyed to the Trustee pursuant to Section 5.06 hereof, the fair value (as of the date of conveyance) less depreciation at the rate of 3.6% in the case of tank cars and 4.5% in the case of all other Trust Equipment for each full period of one year from such date of conveyance, of the Trust Equipment so assigned or transferred or subleased or the possession of which shall have been parted with otherwise than as herein authorized, as certified to the Trustee pursuant to Section 4.04 or Section 5.06 (any sum so deposited to be returned to the Company upon the cancellation of such assignment, transfer or sublease and the recovery of possession by the Company of such Trust Equipment), or

(c) the Company shall, for more than 60 days after the Trustee shall have demanded in writing performance thereof, fail or refuse to comply with any other of the terms and covenants hereof on its part to be kept and performed, or to make provision satisfactory to the Trustee for such compliance, or

(d) an event of default shall occur under any lease, agreement, equipment trust agreement or indenture under which the Company is an obligor and the Trustee is also acting as trustee thereunder (the term "event of default" being used in this subparagraph (d) to mean any event which, after any applicable notice and/or period of grace provided for in the instrument in question, permits the trustee thereunder to declare the principal amount of the obligation issued or secured thereby to become immediately due and payable),

then, in any such case (herein sometimes called an Event of Default), the Trustee, by notice in writing to the Company, or the holders of not less than 25% in principal amount of the then outstanding Trust Certificates, by notice in writing to the Company and the Trustee, may declare to be due and payable forthwith the entire amount of the rentals (including any unpaid advance rental, but not including rentals required for the payment of interest accruing after the date of such declaration or rentals payable pursuant to Section 5.04(B)(4) after the date of such declaration) payable by the Company as set forth in Section 5.04 and not theretofore paid. Thereupon the entire amount of such rentals shall forthwith become and shall be due and payable immediately without further demand, together with interest at the respective rates per annum set forth in the outstanding Trust Certificates, to the extent legally enforceable, on any portion thereof overdue.

In addition, in case one or more Events of Default shall happen, the Trustee, by notice in writing to the Company, or the holders of not less than 25% in principal amount of the then outstanding Trust Certificates, by notice in writing to the Company and the Trustee, may declare the principal of all the Trust Certificates then outstanding to be due and payable, and thereupon the same shall become and be immediately due and payable.

In case the Company shall fail to pay any instalment of rental payable pursuant to Section 5.04(B)(3), (B)(4) or (B)(5) when and as the same shall have become due and payable hereunder, and such default shall have continued for a period of 30 days, the Trustee, in its own name and as trustee of an express trust, shall be entitled and empowered to institute any action or proceedings at law or in equity for the collection of the rentals so due and unpaid, and may prosecute any such action or proceedings to judgment or final decree, and may enforce any such judgment or final decree against the Company or other obligor upon the Trust Certificates and collect in the manner provided by law out of the property of the Company or other obligor upon the Trust Certificates wherever situated the moneys adjudged or decreed to be payable.

In case there shall be pending proceedings for the bankruptcy or for the reorganization of the Company or any other obligor upon the Trust Certificates under the Bankruptcy Act or any other applicable

law, or in case a receiver or trustee shall have been appointed for the property of the Company or such other obligor, or in case of any other judicial proceedings relative to the Company or such other obligor, or to the creditors or property of the Company or such other obligor, the Trustee, irrespective of whether the rental payments hereunder or the principal of the Trust Certificates shall then be due and payable as herein or therein expressed whether by declaration or otherwise and irrespective of whether the Trustee shall have made any demand or declaration pursuant to the provisions of this Section 6.01, shall be entitled and empowered, by intervention in such proceedings or otherwise, to file and prove a claim or claims for the entire amount of the rentals (including any unpaid advance rental, but not including rentals required for the payment of interest accruing after the date of such declaration or rentals payable pursuant to Section 5.04(B)(4) after the date of such claim or claims) and to file such other papers or documents as may be necessary or advisable in order to have the claims of the Trustee (including any claim for reasonable compensation to the Trustee, its agents, attorneys and counsel, and for reimbursement of all expenses and liabilities incurred, and all advances made, by the Trustee except as a result of its negligence or bad faith) and of the holders of the Trust Certificates allowed in such proceedings and to collect and receive any moneys or other property payable or deliverable on any such claims, and to distribute all amounts received with respect to the claims of the holders of the Trust Certificates and of the Trustee on their behalf; and any receiver, assignee or trustee in bankruptcy or reorganization is hereby authorized by each of the holders of the Trust Certificates to make payments to the Trustee, and, in the event that the Trustee shall consent to the making of payments directly to the holders of the Trust Certificates, to pay to the Trustee such amount as shall be sufficient to cover reasonable compensation to the Trustee, its agents, attorneys and counsel, and all other expenses and liabilities incurred, and all advances made, by the Trustee except as a result of its negligence or bad faith.

All rights of action and to assert claims under this Agreement, or under any of the Trust Certificates, may be enforced by the Trustee without the possession of any of the Trust Certificates or the production thereof on any trial or other proceedings relative thereto, and any such

action or proceedings instituted by the Trustee shall be brought in its own name as trustee of an express trust, and any recovery of judgment shall be for the ratable benefit of the holders of the Trust Certificates. In any proceedings brought by the Trustee (and also any proceedings involving the interpretation of any provision of this Agreement to which the Trustee shall be a party) the Trustee shall be held to represent all the holders of the Trust Certificates, and it shall not be necessary to make any holders of the Trust Certificates parties to such proceedings.

SECTION 6.02. *Remedies.* In case of the happening of any Event of Default, the Trustee (a) may by its agents enter upon the premises of the Company and of any Affiliate of the Company or of any sublessee where any of the Trust Equipment may be and take possession of all or any part of the Trust Equipment and withdraw the same from said premises, retaining all payments which up to that time may have been made on account of rental for the Trust Equipment and otherwise, (b) shall be entitled to collect, receive and retain all per diem, mileage, sublease rentals or other charges of any kind then due on account of or thereafter earned by the Trust Equipment or any part thereof, and (c) may lease the Trust Equipment or any part thereof, or (d) with or without retaking possession thereof (but only after declaring due and payable the entire amount of rentals payable by the Company as provided in Section 6.01 hereof) may sell the same or any part thereof, free from any and all claims of the Company at law or in equity, in one lot and as an entirety or in separate lots, insofar as may be necessary to perform and fulfill the trust hereunder, at public or private sale, for cash or upon credit, in its discretion, and may proceed otherwise to enforce its rights and the rights of the holders of interests hereunder in the manner herein provided. Upon any such sale, the Trustee itself may bid for the property offered for sale or any part thereof. Any such sale may be held or conducted at such place and at such time as the Trustee may specify, or as may be required by law, and without gathering at the place of sale the Trust Equipment to be sold, and in general in such manner as the Trustee may determine, but so that the Company may and shall have a reasonable opportunity to bid at any such sale. Upon such taking possession or withdrawal or lease or sale of the Trust Equipment, the Company shall cease to have any rights or remedies in respect of the Trust Equipment here-

under, but all such rights and remedies shall be deemed thenceforth to have been waived and surrendered by the Company, and no payments theretofore made by the Company for the rent or use of the Trust Equipment or any of it shall, in case of the happening of any Event of Default and such taking possession, withdrawal, lease or sale by the Trustee, give to the Company any legal or equitable interest or title in or to the Trust Equipment or any of it or any cause or right of action at law or in equity in respect of the Trust Equipment against the Trustee or the holders of interests hereunder. No such taking possession, withdrawal, lease or sale of the Trust Equipment by the Trustee shall be a bar to the recovery by the Trustee from the Company of rentals then or thereafter due and payable, and the Company shall be and remain liable for the same until such sums shall have been realized as, with the proceeds of the lease or sale of the Trust Equipment, shall be sufficient for the discharge and payment in full of all the items mentioned in Section 5.04 (other than interest not then accrued or rentals payable pursuant to Section 5.04(B)(4) due after the date of the declaration referred to in Section 6.01), whether or not they shall have then matured.

SECTION 6.03. *Application of Proceeds.* If, in case of the happening of any Event of Default, the Trustee shall exercise any of the powers conferred upon it by Sections 6.01 and 6.02, all payments made by the Company to the Trustee hereunder after such Event of Default, and the proceeds of any judgment collected from the Company by the Trustee hereunder, and the proceeds of every sale or lease by the Trustee hereunder of any of the Trust Equipment, together with any other sums which may then be held by the Trustee under any of the provisions hereof (other than sums held in trust for the payment of specific Trust Certificates), shall be applied by the Trustee to the payment, in the following order of priority, (a) of all proper charges, expenses or advances made or incurred by the Trustee in accordance with the provisions of this Agreement and (b) of the interest then due, with interest on overdue interest with respect to any Trust Certificate at the rate per annum set forth in such Trust Certificate to the extent legally enforceable, and of the principal of all the outstanding Trust Certificates, with interest on each such Trust Certificate at the rate per annum set forth in such Trust Certificate to the

extent legally enforceable from the last preceding interest payment date, whether such Trust Certificates shall have then matured by their terms or not, all such payments to be in full if such proceeds shall be sufficient, and if not sufficient, then *pro rata* without preference between principal and interest.

After all such payments shall have been made in full, the title to any of the Trust Equipment remaining unsold shall be conveyed by the Trustee to the Company free from any further liabilities or obligations to the Trustee hereunder. If after applying all such sums of money realized by the Trustee as aforesaid there shall remain any amount due to the Trustee under the provisions hereof, the Company agrees to pay the amount of such deficit to the Trustee. If after applying as aforesaid the sums of money realized by the Trustee there shall remain a surplus in the possession of the Trustee, such surplus shall be paid to the Company.

SECTION 6.04. *Waivers of Default.* Prior to the declaration of the acceleration of the maturity of the rentals and of the maturity of all the Trust Certificates as provided in Section 6.01, the holders of a majority in aggregate principal amount of the Trust Certificates at the time outstanding may on behalf of the holders of all the Trust Certificates waive any past Event of Default and its consequences, except an Event of Default in the payment of any instalment of rental payable pursuant to Section 5.04(B)(3), (B)(4) or (B)(5), but no such waiver shall extend to or affect any subsequent default or impair any right consequent thereon.

If at any time after the principal of all the Trust Certificates shall have been declared and become due and payable or if at any time after the entire amount of rentals shall have been declared and become due and payable, all as in Section 6.01 provided, but before June 15, 1992, all arrears of rent (with interest at the respective rates per annum set forth in the outstanding Trust Certificates upon any overdue instalments, to the extent legally enforceable), the expenses and reasonable compensation of the Trustee, together with all expenses of the trust occasioned by the Company's default, and all other sums which shall have become due and payable by the Company hereunder (other than the principal of Trust Certificates, and any other rental

instalments, which shall not at the time have matured according to their terms) shall be paid by the Company before any sale or lease by the Trustee of any of the Trust Equipment, and every other default in the observance or performance of any covenant or condition hereof shall be made good or secured to the satisfaction of the Trustee, or provision deemed by the Trustee to be adequate shall be made therefor, then, and in every such case, the Trustee, if so requested by the holders of a majority in principal amount of the Trust Certificates then outstanding, shall by written notice to the Company waive the default by reason of which there shall have been such declaration or declarations and the consequences of such default, but no such waiver shall extend to or affect any subsequent default or impair any right consequent thereon.

SECTION 6.05. *Obligations of Company Not Affected by Remedies.* No retaking of possession of the Trust Equipment by the Trustee, or any withdrawal, lease or sale thereof, nor any action or failure or omission to act against the Company or in respect of the Trust Equipment, on the part of the Trustee or on the part of the holder of any Trust Certificate, nor any delay or indulgence granted to the Company by the Trustee or by any such holder, shall affect the obligations of the Company hereunder or the obligations of the Company under the guaranty endorsed on the Trust Certificates. The Company hereby waives presentation and demand in respect of any of the Trust Certificates and waives notice of presentation, of demand and of any default in the payment of the principal of and interest on the Trust Certificates.

SECTION 6.06. *Company to Deliver Trust Equipment to Trustee.* In case the Trustee shall rightfully demand possession of any of the Trust Equipment, the Company will, at its own expense, forthwith and in the usual manner and at usual speed, cause such Trust Equipment to be drawn to such point or points as shall reasonably be designated by the Trustee and will there deliver or cause to be delivered the same to the Trustee; or, at the option of the Trustee, the Trustee may keep such Trust Equipment, at the expense of the Company, on any lines of railroad or premises approved by the Trustee until the Trustee shall have leased, sold or otherwise disposed

of the same. The performance of the foregoing covenant is of the essence of this Agreement and upon application to any court having jurisdiction in the premises, the Trustee shall be entitled to a decree against the Company requiring the specific performance thereof.

SECTION 6.07. *Trustee to Give Notice of Default, but May Withhold Under Certain Circumstances.* The Trustee shall give to the holders of the Trust Certificates in the manner and to the extent provided in Section 8.04(c) with respect to reports pursuant to Section 8.04(a) notice of each default hereunder known to the Trustee within 90 days after the occurrence thereof, unless such default shall have been remedied or cured before the giving of such notice; *provided* that, except in the case of default in the payment of any part of the rental payable hereunder pursuant to Section 5.04(B)(3), (B)(4) or (B)(5) hereof, the Trustee shall be protected in withholding such notice if and so long as the board of directors, the executive committee, or a trust committee of directors and/or Responsible Officers in good faith determine that the withholding of such notice is in the interests of the holders of the Trust Certificates. The term "default" as used in this Section 6.07 shall mean the happening of any event defined as an Event of Default in Section 6.01, except that, for the purposes of this Section 6.07 only, there shall be eliminated from the definition of any such event as specified in Section 6.01 any reference to the making of a written demand or the continuance, or the continuance in force, for any period of days of any default or failure on the part of the Company referred to in such definition.

SECTION 6.08. *Limitations on Suits by Holders of Trust Certificates.* No holder of any Trust Certificate shall have any right by virtue or by availing of any provision of this Agreement to institute any action or proceedings at law or in equity or in bankruptcy or otherwise, upon or under or with respect to this Agreement, or for the appointment of a receiver or trustee, or for any other remedy hereunder, unless such holder previously shall have given to the Trustee written notice of default and of the continuance thereof, as hereinafore provided, and unless the holders of a majority in aggregate principal amount of the Trust Certificates then outstanding shall have made written request to the Trustee to institute such action or proceedings

in its own name as trustee hereunder and shall have offered to the Trustee such reasonable indemnity as it may require against the costs, expenses and liabilities to be incurred therein or thereby, and the Trustee for 60 days after its receipt of such notice, request and offer of indemnity shall have failed to institute any such action or proceedings and no direction inconsistent with such written request shall have been given to the Trustee pursuant to Section 6.10; it being understood and intended, and being expressly covenanted by the holder of every Trust Certificate with every other holder and the Trustee, that no one or more holders of Trust Certificates shall have any right in any manner whatever, by virtue or by availing of any provision of this Agreement, to affect, disturb, or prejudice the rights of any other holder of Trust Certificates, or to obtain or seek to obtain priority over or preference to any other such holder or to enforce any right under this Agreement, except in the manner herein provided and for the equal, ratable and common benefit of all holders of Trust Certificates. For the protection and enforcement of the provisions of this Section 6.08, each and every holder of a Trust Certificate and the Trustee shall be entitled to such relief as can be given either at law or in equity.

SECTION 6.09. *Unconditional Right of Holders of Trust Certificates to Sue for Principal and Interest.* Notwithstanding any other provision in this Agreement, the right of any holder of any Trust Certificate to receive payment of the principal of and interest on such Trust Certificate, on or after the respective due dates expressed in such Trust Certificate, or to institute suit for the enforcement of any such payment on or after such respective dates, shall not be impaired or affected without the consent of such holder, except no such suit shall be instituted if and to the extent that the institution or prosecution thereof or the entry of judgment therein would, under applicable law, result in the surrender, impairment, waiver or loss of the title reserved under this Agreement upon any property subject hereto.

SECTION 6.10. *Control by Holders of Trust Certificates.* The holders of a majority in aggregate principal amount of the Trust Certificates at the time outstanding shall have the right to direct the time, method, and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred on the

and conditions of any such supplemental agreement shall be and be deemed to be part of the terms and conditions of this Agreement for any and all purposes.

SECTION 12.04. *Notation on Trust Certificates.* Trust Certificates delivered after the execution of any supplemental agreement pursuant to the provisions of this Article Twelve may bear a notation in form approved by the Trustee as to any matter provided for in such supplemental agreement. If the Trustee shall so determine, new Trust Certificates so modified as to conform, in the opinion of the Trustee, to any modification of this Agreement contained in any such supplemental agreement may be prepared and executed by the Trustee and delivered in exchange for the Trust Certificates then outstanding.

SECTION 12.05. *Evidence of Compliance of Supplemental Agreement to be Furnished Trustee.* The Trustee, subject to the provisions of Sections 9.02 and 9.03, may receive an Officers' Certificate and an Opinion of Counsel as conclusive evidence that any supplemental agreement executed pursuant hereto complies with the requirements of this Article Twelve.

ARTICLE THIRTEEN

MISCELLANEOUS

SECTION 13.01. *Rights Confined to Parties and Holders.* Nothing expressed or implied herein is intended or shall be construed to confer upon or to give to any person, firm or corporation, other than the parties hereto and the holders of the Trust Certificates, any right, remedy or claim under or by reason of this Agreement or of any term, covenant or condition hereof, and all the terms, covenants, conditions, promises and agreements contained herein shall be for the sole and exclusive benefit of the parties hereto and their successors and of the holders of the Trust Certificates.

SECTION 13.02. *No Recourse.* No recourse under any obligation, covenant or agreement of this Agreement, or of the guaranty endorsed on any Trust Certificate, shall be had against any stockholder, officer or director of the Company, as such, by the enforcement of any assess-

ment or by any legal or equitable proceeding, by virtue of any statute or otherwise; it being expressly agreed and understood that this Agreement and said guaranty are solely corporate obligations, and that no personal liability whatever shall attach to or be incurred by the stockholders, officers or directors of the Company, as such, or any of them, under or by reason of any of the obligations, covenants or agreements contained in this Agreement or in said guaranty, or implied therefrom, and that any and all personal liability, either at common law or in equity, or by statute or constitution, of every such stockholder, officer or director is hereby expressly waived as a condition of and consideration for the execution of this Agreement and said guaranty.

SECTION 13.03. *Officers' Certificates and Opinions of Counsel; Statements to be Contained Therein.* Upon any application or demand by the Company to the Trustee to take any action under any of the provisions of this Agreement (other than the issuance of Trust Certificates), the Company shall furnish to the Trustee an Officers' Certificate stating that all conditions precedent provided for in this Agreement relating to the proposed action have been complied with and an Opinion of Counsel stating that in the opinion of such counsel all such conditions precedent have been complied with.

Each certificate or opinion provided for in this Agreement and delivered to the Trustee with respect to compliance with a condition or covenant provided for in this Agreement shall include (a) a statement that the person making such certificate or opinion has read such condition or covenant; (b) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based; (c) a statement that, in the opinion of such person, he has made such examination or investigation as is necessary to enable him to express an informed opinion as to whether or not such condition or covenant has been complied with; and (d) a statement as to whether or not in the opinion of such person, such condition or covenant has been complied with.

SECTION 13.04. *Conflict of any Provision of Agreement with Trust Indenture Act of 1939.* If and to the extent that any provision of this Agreement limits, qualifies or conflicts with another provision included in this Agreement which is required to be included herein by any of

sections 310 to 317, inclusive, of the Trust Indenture Act of 1939, such required provision shall control.

SECTION 13.05. *Binding Upon Assigns.* Except as otherwise provided herein, the provisions of this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

SECTION 13.06. *Notices.* All demands, notices and communications hereunder shall be in writing and shall be deemed to have been duly given if personally delivered at or mailed by registered mail to (a) in the case of the Company, 200 South Michigan Avenue, Chicago, Illinois 60604, or such other address as may hereafter be furnished to the Trustee in writing by the Company and (b) in the case of the Trustee, 231 South LaSalle Street, Chicago, Illinois 60693, Attention of Corporate Trust Department, or such other address as may hereafter be furnished to the Company in writing by the Trustee. An affidavit by any person representing or acting on behalf of the Company or the Trustee, as to such mailing, having the registry receipt attached, shall be conclusive evidence of the giving of such demand, notice or communication.

SECTION 13.07. *Effect of Headings.* The Article and Section headings herein are for convenience only and shall not affect the construction hereof.

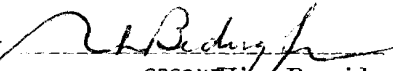
SECTION 13.08. *Counterparts.* This Agreement has been simultaneously executed in several counterparts each of which shall be deemed to be an original, and all such counterparts shall together constitute but one and the same instrument.

SECTION 13.09. *Date Executed.* This Agreement shall be deemed to have been executed on the date of the acknowledgment thereof by the officer of the Trustee who signed it on behalf of the Trustee.

SECTION 13.10. *Governing Law.* The provisions of this Agreement, and all the rights and obligations of the parties hereunder, shall be governed by the laws of the State of New York.

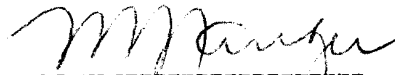
IN WITNESS WHEREOF, the Company and the Trustee have caused their names to be signed hereto by their respective officers thereunto duly authorized and their respective corporate seals, duly attested, to be hereunto affixed as of the day and year first written.

CONTINENTAL ILLINOIS NATIONAL BANK
AND TRUST COMPANY OF CHICAGO

By 
SECOND ~~Vice~~ President.

[CORPORATE SEAL]

Attest:

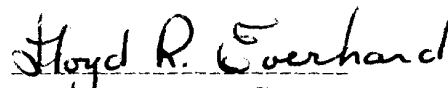

Trust Officer.

PULLMAN TRANSPORT LEASING COMPANY

By 
President.

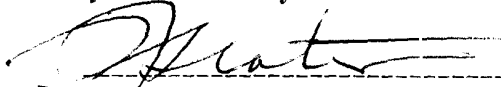
[CORPORATE SEAL]

Attest:


Secretary.

STATE OF ILLINOIS, }
COUNTY OF COOK, } ss.:

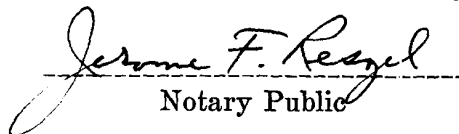
On this 22nd day of June, 1972, before me personally came V. L. BEDINGFIELD
to me known, who, being by me duly sworn, says that he
resides at 672 N. DUNTON AVE., ARLINGTON HEIGHTS, ILL., that he is a ^{SECOND} Vice President
of CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF
CHICAGO, one of the corporations described in and which executed the
foregoing instrument; that he knows the seal of said corporation; that
the seal affixed to said instrument is such corporate seal; that it was
so affixed by authority of the Board of Directors of said corporation,
and that he signed his name thereto by like authority.


R. SLATER Notary Public
My Commission Expires January 14, 1974

[NOTARIAL SEAL]

STATE OF ILLINOIS, }
COUNTY OF COOK, } ss.:

On this 22nd day of June, 1972, before me personally came
ARTHUR L. BERRY, to me known, who, being by me duly sworn, says that
he resides at 1639 Central Ave., Wilmette, Ill., that he is the President
of PULLMAN TRANSPORT LEASING COMPANY, one of the corporations de-
scribed in and which executed the foregoing instrument; that he knows
the seal of said corporation; that the seal affixed to said instrument is
such corporate seal; that it was so affixed by order of the Board of
Directors of said corporation, and that he signed his name thereto by
like order.


Notary Public

[NOTARIAL SEAL]

MY COMMISSION EXPIRES JANUARY 14, 1974

SCHEDULE A
Description of Trust Equipment

<u>Quantity</u>	<u>Description</u>	<u>Car Number</u>
215	4,475 Cu. Ft. Capacity 125-ton Covered Hopper	TLCX 26000-26214
243	4,740 Cu. Ft. Capacity 100-ton Covered Hopper	TLCX 31087-31220; 31247-31251 PTLX 31847-31850 KCS 303704, 303712, 303721, 303739, 303747, 303755, 303763, 303771, 303780, 303798, 303801, 303810, 303828, 303836, 303844, 303852, 303861, 303879, 303887, 303895, 303909, 303917, 303925, 303933, 303941, 304107, 304115, 304123, 304131, 304140, 304158, 304166, 304174, 304182, 304191, 304204, 304212, 304221, 304239, 304247, 304255, 304263, 304271, 304280, 304298, 304301, 304310, 304328, 304336, 304344, 304352, 304361, 304379, 304387, 304395, 304409, 304417, 304425, 304433, 304441, 304450, 304468, 304476, 304484, 304492, 304506, 304514, 304522, 304531, 304549, 304557, 304565, 304573, 304581, 304590, 304603, 304611, 304620, 304638, 304646, 304654, 304662, 304671, 304689, 304697, 304701, 304719, 304727, 304735, 304743, 304751, 304760, 304778, 304786, 304794, 304808, 304816, 304824, 304832, 304841
35	4,785 Cu. Ft. Capacity 100-ton Covered Hopper	TLCX 35150-35184
19	5,650 Cu. Ft. Capacity 100-ton Covered Hopper	TLCX 39369; 39552-39569
488	5,820 Cu. Ft. Capacity 100-ton Covered Hopper	PTLX 41000-41349 PTLX 41350; 41352-41375; 41378- 41383; 41386-41400; 41402; 41403; 41406-41409; 41411- 41428; 41432-41499
4	10,400 Gal. Insulated Tank Cars	TLDX 210000-210003

SECTION 8.03. *Reports by the Company.* The Company covenants:

(a) to file with the Trustee, within 15 days after the Company is required to file the same with the Commission, copies of the annual reports and of the information, documents, and other reports (or copies of such portions of any of the foregoing as the Commission may from time to time by rules and regulations prescribe) which the Company may be required to file with the Commission pursuant to section 13 or section 15(d) of the Securities Exchange Act of 1934; or, if the Company is not required to file information, documents, or reports pursuant to either of said sections, then to file with the Trustee and the Commission, in accordance with rules and regulations prescribed from time to time by the Commission, such of the supplementary and periodic information, documents, and reports which may be required pursuant to section 13 of the Securities Exchange Act of 1934 in respect of a security listed and registered on a national securities exchange as may be prescribed from time to time in such rules and regulations;

(b) to file with the Trustee and the Commission, in accordance with rules and regulations prescribed from time to time by the Commission, such additional information, documents, and reports with respect to compliance by the Company with the conditions and covenants provided for in this Agreement as may be required from time to time by such rules and regulations; and

(c) to transmit to the holders of the Trust Certificates, within 30 days after the filing thereof with the Trustee, in the manner and to the extent provided in Section 8.04(c) with respect to reports pursuant to Section 8.04(a), such summaries of any information, documents, and reports required to be filed by the Company pursuant to Section 8.03(a) and (b) as may be required by rules and regulations prescribed from time to time by the Commission.

SECTION 8.04. *Reports by the Trustee.* (a) On or before August 15, 1973, and on or before August 15 in every year thereafter, so long as any Trust Certificates are outstanding hereunder, the Trustee shall transmit to the holders of the Trust Certificates, as hereinafter in this Section 8.04 provided, a brief report dated as of the preceding June 15 with respect to:

(1) its eligibility under Section 9.08 and its qualifications under Section 9.07, or in lieu thereof, if to the best of its knowledge

it has continued to be eligible and qualified under said Sections, a written statement to such effect;

(2) the character and amount of any advances (and if the Trustee elects so to state, the circumstances surrounding the making thereof) made by the Trustee (as such) which remain unpaid on the date of such report, and for the reimbursement of which it claims or may claim a lien or charge, prior to that of the Trust Certificates, on the trust estate or on any property or funds held or collected by it as Trustee, except that the Trustee shall not be required (but may elect) to report such advances if such advances so remaining unpaid aggregate not more than $\frac{1}{2}$ of 1% of the principal amount of the Trust Certificates outstanding on the date of such report;

(3) the amount, interest rate, and maturity date of all other indebtedness owing by the Company (or by any other obligor on the Trust Certificates) to the Trustee in its individual capacity, on the date of such report, with a brief description of any property held as collateral security therefor, except an indebtedness based upon a creditor relationship arising in any manner described in Section 9.12(b)(2), (3), (4), or (6);

(4) the property and funds, if any, physically in the possession of the Trustee as such on the date of such report;

(5) any release, assignment or transfer, or release, assignment or transfer and substitution, of any Trust Equipment (and the consideration therefor, if any) which it has not previously reported; *provided, however*, that to the extent that the aggregate value (as shown by the Engineer's Certificates furnished to the Trustee in respect thereof) of any or all of such released, assigned or transferred Trust Equipment does not exceed an amount equal to 1% of the principal amount of Trust Certificates then outstanding, the report need only indicate the number of such releases, assignments or transfers, the total value of Trust Equipment released, assigned or transferred as shown by said Engineer's Certificates, the aggregate amount of cash received and the aggregate value of Trust Equipment received in substitution therefor as shown by said Engineer's Certificates;

(6) any additional issue of Trust Certificates which it has not previously reported; and

(7) any action taken by the Trustee in the performance of its duties under this Agreement which it has not previously reported and which in its opinion materially affects the Trust Certificates or the trust estate, except action in respect of a default, notice of which has been or is to be withheld by it in accordance with the provisions of Section 6.07.

(b) The Trustee shall transmit to the holders of the Trust Certificates, as provided in Section 8.04(c), a brief report with respect to (i) the release, assignment or transfer, or release, assignment or transfer and substitution, of any Trust Equipment (and the consideration therefor, if any) unless the fair value of such Trust Equipment (as set forth in the Engineer's Certificate furnished to the Trustee in respect thereof) is less than 10% of the principal amount of Trust Certificates outstanding at the time of such release, assignment or transfer, or such release, assignment or transfer and substitution, such report to be so transmitted within 90 days after such time, and (ii) the character and amount of any advances (and if the Trustee elects so to state, the circumstances surrounding the making thereof) made by the Trustee (as such) since the date of the last report transmitted pursuant to the provisions of Section 8.04(a) (or if no such report has yet been so transmitted, since the date of execution of this Agreement), for the reimbursement of which it claims or may claim a lien or charge, prior to that of the Trust Certificates, on the trust estate or on property or funds held or collected by it as Trustee, and which it has not previously reported pursuant to this Section 8.04(b), except that the Trustee shall not be required (but may elect) to report such advances if such advances remaining unpaid at any time aggregate 10% or less of the principal amount of Trust Certificates outstanding at such time, such report to be transmitted within 90 days after such time.

(c) Reports pursuant to this Section 8.04 shall be transmitted by mail:

(1) to all holders of Trust Certificates, as the names and addresses of such holders appear upon the registration books of the Trustee;

(2) to such holders of Trust Certificates as have, within the two years preceding such transmission, filed their names and addresses with the Trustee for that purpose; and

(3) except in the case of reports pursuant to Section 8.04(b), to each holder of a Trust Certificate whose name and address is preserved at the time by the Trustee, as provided in Section 8.02(a).

(d) A copy of each such report shall, at the time of such transmission to holders of the Trust Certificates, be filed by the Trustee with each stock exchange, if any, upon which the Trust Certificates are listed and also with the Commission. The Company agrees to notify the Trustee when and as the Trust Certificates become listed on any stock exchange.

ARTICLE NINE

THE TRUSTEE

SECTION 9.01. *Acceptance of Trusts.* The Trustee hereby accepts the trust imposed upon it by this Agreement, and covenants and agrees to perform the same as herein expressed.

SECTION 9.02. *Duties and Responsibilities of the Trustee; During Default; Prior to Default.* In case an Event of Default has occurred (which has not been cured), the Trustee shall exercise such of the rights and powers vested in it by this Agreement, and use the same degree of care and skill in their exercise, as a prudent man would exercise or use under the circumstances in the conduct of his own affairs.

No provision of this Agreement shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act, or its own wilful misconduct, except that

(a) prior to the occurrence of an Event of Default and after the curing of all Events of Default which may have occurred:

(1) the duties and obligations of the Trustee shall be determined solely by the express provisions of this Agreement, and the Trustee shall not be liable except for the per-

formance of such duties and obligations as are specifically set forth in this Agreement, and no implied covenants or obligations shall be read into this Agreement against the Trustee; and

(2) in the absence of bad faith on the part of the Trustee, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon any certificates or opinions furnished to the Trustee and conforming to the requirements of this Agreement; but in the case of any such certificates or opinions which by any provision hereof are specifically required to be furnished to the Trustee, the Trustee shall be under a duty to examine the same to determine whether or not they conform to the requirements of this Agreement;

(b) the Trustee shall not be liable for any error of judgment made in good faith by a Responsible Officer, unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts; and

(c) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the holders of a majority in aggregate principal amount of the Trust Certificates at the time outstanding relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under this Agreement.

None of the provisions contained in this Agreement shall require the Trustee to expend or risk its own funds or otherwise incur personal financial liability in the performance of any of its duties or in the exercise of any of its rights or powers, if there is reasonable ground for believing that the repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

SECTION 9.03. *Certain Rights of the Trustee.* Except as otherwise provided in Section 9.02:

(a) the Trustee may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement,

instrument, opinion, report, notice, request, consent, order, trust certificate, guaranty or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties;

(b) the Trustee may consult with counsel, and any Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance with such Opinion of Counsel;

(c) the Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Agreement at the request, order or direction of any of the holders of the Trust Certificates, pursuant to the provisions of this Agreement, unless such holders shall have offered to the Trustee reasonable security or indemnity against the costs, expenses and liabilities which might be incurred therein or thereby; and

(d) the Trustee shall not be liable for any action taken by it in good faith and believed by it to be authorized or within the discretion or rights or powers conferred upon it by this Agreement.

SECTION 9.04. *Application of Rentals; Responsibility of Trustee to Insure or Record.* The Trustee covenants and agrees to apply the rentals received by it under Section 5.04(B) when and as the same shall be received, and to the extent that such rentals shall be sufficient therefor, for the purposes specified in said Section 5.04(B).

Except as otherwise provided in Section 9.02, the Trustee shall not be required to undertake any act or duty in the way of insuring, taking care of or taking possession of the Trust Equipment or to undertake any other act or duty under this Agreement until fully indemnified by the Company or by one or more of the holders of the Trust Certificates against all liability and expenses; and, except as aforesaid, the Trustee shall not be responsible for the filing or recording or refiling or rerecording of this Agreement or of any supplement hereto or statement of new numbers.

SECTION 9.05. *Funds May be Held by Trustee; Investments in Investment Securities.* Any money at any time paid to or held by the

Trustee hereunder until paid out by the Trustee as herein provided may be carried by the Trustee on deposit with itself, and, if and to the extent permitted by applicable law or regulations of governmental authorities having jurisdiction over the Trustee, the Trustee may allow interest upon any such moneys held by it in trust at the rate generally prevailing among Chicago banks and trust companies or allowed by it upon deposits of a similar character.

At any time, and from time to time, if at the time no Event of Default shall have occurred and be continuing, the Trustee, on Request, shall invest and reinvest Deposited Cash held by it or cash deposited with it pursuant to Section 5.06 or Section 5.08 (hereinafter in this Section 9.05 called Replacement Funds) in Investment Securities, at such prices, including any premium and accrued interest, as are set forth in such Request, such Investment Securities to be held by the Trustee in trust for the benefit of the holders of the Trust Certificates.

The Trustee shall, on Request, or the Trustee may, in the event funds are required for payment against delivery of Trust Equipment, sell such Investment Securities, or any portion thereof, and restore to Deposited Cash or Replacement Funds, as the case may be, the proceeds of any such sale up to the amount paid for such Investment Securities, including accrued interest.

The Trustee shall restore to Deposited Cash or Replacement Funds, as the case may be, rent received by it for that purpose under the provisions of Section 5.04(B)(1)(b).

The Company, if not to the knowledge of the Trustee in default under the terms hereof, shall be entitled to receive any interest allowed as provided in the first paragraph of this Section 9.05, or any interest paid by any bank or banks on deposits to the credit of the Trustee with such bank or banks pursuant to Section 2.01, and any interest (in excess of accrued interest paid from Deposited Cash or Replacement Funds at the time of purchase) or other profit which may be realized from any sale or redemption of Investment Securities.

SECTION 9.06. *Trustee Not Liable for Delivery Delays or Defects in Equipment or Title; May Perform Duties by Agents; Reimbursement of Expenses; Holding of Trust Certificates; Moneys Held in Trust.* Except as otherwise provided in Section 9.02, the Trustee shall not be

liable to anyone for any delay in the delivery of any of the Trust Equipment, or for any default on the part of the manufacturers or owners thereof or of the Company, or for any defect in any of the Trust Equipment or in the title thereto, nor shall anything herein be construed as a warranty on the part of the Trustee in respect thereof or as a representation on the part of the Trustee in respect of the value thereof or in respect of the title thereto.

Except as otherwise provided in Section 9.02, the Trustee may perform its powers and duties hereunder by or through such attorneys, agents and servants as it shall appoint, and shall be answerable for only its own acts, negligence and wilful defaults and not for the default or misconduct of any attorney, agent or servant appointed by it with reasonable care. The Trustee shall not be responsible in any way for the recitals herein contained or for the execution or validity of this Agreement or of the Trust Certificates (except for its own execution thereof), or for the guaranty by the Company.

The Trustee shall be entitled to receive payment for all of its expenses and disbursements hereunder, including reasonable counsel fees, and to receive reasonable compensation for all services rendered by it in the execution of the trust hereby created, all of which shall be paid by the Company.

The Trustee in its individual capacity may own, hold and dispose of Trust Certificates with the same rights which it would have if it were not Trustee.

Any moneys at any time held by the Trustee or any paying agent hereunder shall, until paid out or invested by the Trustee or any paying agent as herein provided, be held by it in trust as herein provided for the benefit of the holders of the Trust Certificates.

SECTION 9.07. *Qualification of Trustee; Conflicting Interests.* (a) If the Trustee has or shall acquire any conflicting interest, as defined in this Section 9.07, it shall, within 90 days after ascertaining that it has such conflicting interest, either eliminate such conflicting interest or resign in the manner and with the effect specified in Section 9.09.

(b) In the event that the Trustee shall fail to comply with the provisions of Section 9.07(a) the Trustee shall, within ten days after

the expiration of such 90-day period, transmit notice of such failure to the holders of the Trust Certificates in the manner and to the extent provided in Section 8.04(c) with respect to reports pursuant to Section 8.04(a).

(c) For the purposes of this Section 9.07 the Trustee shall be deemed to have a conflicting interest if

(1) the Trustee is trustee under another indenture under which any other securities, or certificates of interest or participation in any other securities, of the Company are outstanding, unless such other indenture is a collateral trust indenture under which the only collateral consists of Trust Certificates issued under this Agreement, provided that there shall be excluded from the operation of this paragraph any indenture or indentures under which other securities, or certificates of interest or participation in other securities, of the Company are outstanding, if the Company shall have sustained the burden of proving, on application to the Commission and after opportunity for hearing thereon, that trusteeship under this Agreement and such other indenture or indentures is not so likely to involve a material conflict of interest as to make it necessary in the public interest or for the protection of investors to disqualify the Trustee from acting as such under one of such indentures;

(2) the Trustee or any of its directors or executive officers is an obligor upon the Trust Certificates or an underwriter for the Company;

(3) the Trustee directly or indirectly controls or is directly or indirectly controlled by or is under direct or indirect common control with the Company or an underwriter for the Company;

(4) the Trustee or any of its directors or executive officers is a director, officer, partner, employee, appointee, or representative of the Company, or of an underwriter (other than the Trustee itself) for the Company who is currently engaged in the business of underwriting, except that (i) one individual may be director or an executive officer, or both, of the Trustee and a director or an executive officer, or both, of the Company, but may not be at

the same time an executive officer of both the Trustee and the Company, (ii) if and so long as the number of directors of the Trustee in office is more than nine, one additional individual may be a director or an executive officer, or both, of the Trustee and a director of the Company and (iii) the Trustee may be designated by the Company or by any underwriter for the Company to act in the capacity of transfer agent, registrar, custodian, paying agent, fiscal agent, escrow agent, or depositary, or in any other similar capacity, or, subject to the provisions of Section 9.07(c)(1), to act as trustee, whether under an indenture or otherwise;

(5) 10% or more of the voting securities of the Trustee is beneficially owned either by the Company or by any director, partner, or executive officer thereof, or 20% or more of such voting securities is beneficially owned, collectively, by any two or more of such persons; or 10% or more of the voting securities of the Trustee is beneficially owned either by an underwriter for the Company or by any director, partner, or executive officer thereof, or is beneficially owned, collectively, by any two or more such persons;

(6) the Trustee is the beneficial owner of, or holds as collateral security for an obligation which is in default, (i) 5% or more of the voting securities, or 10% or more of any other class of security, of the Company, not including the Trust Certificates and securities issued under any other indenture under which the Trustee is also trustee or (ii) 10% or more of any class of security of an underwriter for the Company;

(7) the Trustee is the beneficial owner of, or holds as collateral security for an obligation which is in default, 5% or more of the voting securities of any person who, to the knowledge of the Trustee, owns 10% or more of the voting securities of, or controls directly or indirectly or is under direct or indirect common control with, the Company;

(8) the Trustee is the beneficial owner of, or holds as collateral security for an obligation which is in default, 10% or more of any class of security of any person who, to the knowledge of the Trustee, owns 50% or more of the voting securities of the Company; or

(9) the Trustee owns, on May 15th in any calendar year, in the capacity of executor, administrator, testamentary or *inter vivos* trustee, guardian, committee or conservator, or in any other similar capacity, an aggregate of 25% or more of the voting securities, or of any class of security, of any person, the beneficial ownership of a specified percentage of which would have constituted a conflicting interest under Section 9.07(c) (6), (7) or (8). As to any such securities of which the Trustee acquired ownership through becoming executor, administrator, or testamentary trustee of an estate which included them, the provisions of the preceding sentence shall not apply, for a period of two years from the date of such acquisition, to the extent that such securities included in such estate do not exceed 25% of such voting securities or 25% of any such class of security. Promptly after May 15th in each calendar year, the Trustee shall make a check of its holdings of such securities in any of the above-mentioned capacities as of such May 15th. If the Company fails to make payment in full of the rentals payable hereunder in respect of the principal of or interest on any of the Trust Certificates when and as the same become due and payable, and such failure continues for 30 days thereafter, the Trustee shall make a prompt check of its holdings of such securities in any of the above-mentioned capacities as of the date of the expiration of such 30-day period, and after such date, notwithstanding the foregoing provisions of this paragraph, all such securities so held by the Trustee, with sole or joint control over such securities vested in it, shall, but only so long as such failure shall continue, be considered as though beneficially owned by the Trustee for the purposes of Section 9.07(c) (6), (7) and (8).

The specification of percentages in Section 9.07(c) (5) to (9), inclusive, shall not be construed as indicating that the ownership of such percentages of the securities of a person is or is not necessary or sufficient to constitute direct or indirect control for the purposes of Section 9.07(c) (3) or (7).

For the purposes of Section 9.07(c) (6), (7), (8) and (9) only, (i) the terms "security" and "securities" shall include only such securities as are generally known as corporate securities, but shall not include any note or other evidence of indebtedness issued to evidence an obligation to repay moneys lent to a person by one or more banks,

trust companies or banking firms, or any certificate of interest or participation in any such note or evidence of indebtedness; (ii) an obligation shall be deemed to be in default when a default in payment of principal shall have continued for 30 days or more and shall not have been cured; and (iii) the Trustee shall not be deemed to be the owner or holder of (x) any security which it holds as collateral security, as trustee or otherwise, for an obligation which is not in default as defined in clause (ii) above, or (y) any security which it holds as collateral security under this Agreement, irrespective of any default hereunder, or (z) any security which it holds as agent for collection, or as custodian, escrow agent, or depositary, or in any similar representative capacity.

Except as provided above, the word "security" or "securities" as used in this Agreement shall mean any equipment trust certificate, note, stock, treasury stock, bond, debenture, evidence of indebtedness, certificate of interest or participation in any profit-sharing agreement, collateral-trust certificate, preorganization certificate or subscription, transferable share, investment contract, voting-trust certificate, certificate of deposit for a security, fractional undivided interest in oil, gas, or other mineral rights, or, in general, any interest or instrument commonly known as a "security", or any certificate of interest or participation in, temporary or interim certificate for, receipt for, guarantee of, or warrant or right to subscribe to or purchase, any of the foregoing.

(d) For the purposes of this Section 9.07:

(1) The term "underwriter" when used with reference to the Company shall mean every person who, within three years prior to the time as of which the determination is made, has purchased from the Company with a view to, or has offered or sold for the Company in connection with, the distribution of any security of the Company outstanding at such time, or has participated or has had a direct or indirect participation in any such undertaking, or has participated or has had a participation in the direct or indirect underwriting of any such undertaking, but such term shall not include a person whose interest was limited to a commission from an underwriter or dealer not in excess of the usual and customary distributors' or sellers' commission.

(2) The term "director" shall mean any director of a corporation, or any individual performing similar functions with

respect to any organization whether incorporated or unincorporated.

(3) The term "person" shall mean an individual, a corporation, a partnership, an association, a joint-stock company, a trust, an unincorporated organization, or a government or political subdivision thereof. As used in this paragraph (3), the term "trust" shall include only a trust where the interest or interests of the beneficiary or beneficiaries are evidenced by a security.

(4) The term "voting security" shall mean any security presently entitling the owner or holder thereof to vote in the direction or management of the affairs of a person, or any security issued under or pursuant to any trust, agreement, or arrangement whereby a trustee or trustees or agent or agents for the owner or holder of such security are presently entitled to vote in the direction or management of the affairs of a person.

(5) The term "Company" shall mean any obligor upon the Trust Certificates.

(6) The term "executive officer" shall mean the president, every vice-president, every trust officer, the cashier, the secretary, and the treasurer of a corporation, and any individual customarily performing similar functions with respect to any organization whether incorporated or unincorporated, but shall not include the chairman of the board of directors.

The percentages of voting securities and other securities specified in this Section 9.07 shall be calculated in accordance with the following provisions:

(A) A specified percentage of the voting securities of the Trustee, the Company or any other person referred to in this Section 9.07 (each of whom is referred to as a "person" in this paragraph) means such amount of the outstanding voting securities of such person as entitles the holder or holders thereof to cast such specified percentage of the aggregate votes which the holders of all the outstanding voting securities of such person are entitled to cast in the direction or management of the affairs of such person.

(B) A specified percentage of a class of securities of a person means such percentage of the aggregate amount of securities of the class outstanding.

(C) The term “amount”, when used in regard to securities, means the principal amount if relating to evidences of indebtedness, the number of shares if relating to capital shares, and the number of units if relating to any other kind of security.

(D) The term “outstanding” means issued and not held by or for the account of the issuer. The following securities shall not be deemed outstanding within the meaning of this definition:

(i) securities of an issuer held in a sinking fund relating to securities of the issuer of the same class;

(ii) securities of an issuer held in a sinking fund relating to another class of securities of the issuer, if the obligation evidenced by such other class of securities is not in default as to principal or interest or otherwise;

(iii) securities pledged by the issuer thereof as security for an obligation of the issuer not in default as to principal or interest or otherwise; and

(iv) securities held in escrow if placed in escrow by the issuer thereof;

provided, however, that any voting securities of an issuer shall be deemed outstanding if any person other than the issuer is entitled to exercise the voting rights thereof.

(E) A security shall be deemed to be of the same class as another security if both securities confer upon the holder or holders thereof substantially the same rights and privileges; *provided, however*, that, in the case of secured evidences of indebtedness, all of which are issued under a single indenture, differences in the interest rates or maturity dates of various series thereof shall not be deemed sufficient to constitute such series different classes; and *provided, further*, that, in the case of unsecured evidences of indebtedness, differences in the interest rates or maturity dates thereof shall not be deemed sufficient to constitute them securities of different classes, whether or not they are issued under a single indenture.

SECTION 9.08. *Persons Eligible for Appointment as Trustee.* There shall at all times be a Trustee hereunder which shall be a corporation organized and doing business under the laws of the United States of America or of the State of Illinois or of the State of New York, having its principal office and place of business in the City of Chicago, State of Illinois, or in the Borough of Manhattan, City and State of New York, having a combined capital and surplus of at least \$10,000,000, and which is authorized under such laws to exercise corporate trust powers and is subject to supervision or examination by federal or state authority. If such corporation publishes reports of condition at least annually, pursuant to law or to the requirements of the aforesaid supervising or examining authority, then for the purposes of this Section 9.08, the combined capital and surplus of such corporation shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. In case at any time the Trustee shall cease to be eligible in accordance with the provisions of this Section 9.08, the Trustee shall resign immediately in the manner and with the effect specified in Section 9.09.

SECTION 9.09. *Resignation and Removal; Appointment of Successor Trustee.* (a) The Trustee may at any time resign by giving written notice of resignation to the Company and by mailing notice of resignation to all holders of Trust Certificates at their last addresses appearing on the registry books. Upon receiving such notice of resignation, the Company shall promptly appoint a successor trustee by written instrument, in duplicate, executed by order of the Board of Directors of the Company, one copy of which instrument shall be delivered to the Trustee so resigning and one copy to the successor trustee. If no successor trustee shall have been so appointed and have accepted appointment within 30 days after the giving of such notice of resignation, the resigning trustee may petition any court of competent jurisdiction for the appointment of a successor trustee, or any holder of a Trust Certificate who has been a bona fide holder of a Trust Certificate or Trust Certificates for at least six months may, subject to the provisions of Section 6.11, on behalf of himself and all others similarly situated, petition any such court for the appointment of a successor trustee. Such court may thereupon, after such notice, if any, as it may deem proper and prescribe, appoint a successor trustee.

(b) In case at any time any of the following shall occur:

(1) the Trustee shall fail to comply with the provisions of Section 9.07(a) after written request therefor by the Company or by any holder of a Trust Certificate who has been a bona fide holder of a Trust Certificate or Trust Certificates for at least six months, or

(2) the Trustee shall cease to be eligible in accordance with the provisions of Section 9.08 and shall fail to resign after written request therefor by the Company or by any such holder of a Trust Certificate, or

(3) the Trustee shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or a receiver of the Trustee or of its property shall be appointed, or any public officer shall take charge or control of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation,

then, in any such case, the Company may remove the Trustee and appoint a successor trustee by written instrument, in duplicate, executed by order of its Board of Directors, one copy of which instrument shall be delivered to the Trustee so removed and one copy to the successor trustee, or, subject to the provisions of Section 6.11, any holder of a Trust Certificate who has been a bona fide holder of a Trust Certificate or Trust Certificates for at least six months may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor trustee. Such court may thereupon, after such notice, if any, as it may deem proper and prescribe, remove the Trustee and appoint a successor trustee.

(c) The holders of a majority in aggregate principal amount of the Trust Certificates at the time outstanding may at any time remove the Trustee and appoint a successor trustee by delivering to the Trustee to be removed, to the successor trustee so appointed and to the Company the evidence provided for in Section 10.01 of the action taken by the holders of the Trust Certificates.

(d) Any resignation or removal of the Trustee and any appointment of a successor trustee pursuant to any of the provisions of this

Section 9.09 shall become effective upon acceptance of appointment by the successor trustee as provided in Section 9.10.

SECTION 9.10. *Acceptance of Appointment by Successor Trustee.* Any successor trustee appointed as provided in Section 9.09 shall execute, acknowledge and deliver to the Company and to its predecessor trustee an instrument accepting such appointment hereunder, and thereupon the resignation or removal of the predecessor trustee shall become effective and such successor trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, duties and obligations of its predecessor hereunder; but, nevertheless, on the written request of the Company or of the successor trustee, upon payment of its charges then unpaid, the trustee ceasing to act shall execute and deliver an instrument transferring to such successor trustee all the rights and powers of the trustee so ceasing to act. Upon request of any such successor trustee, the Company shall execute any and all instruments in writing for more fully and certainly vesting in and confirming to such successor trustee all such rights and powers. Any trustee ceasing to act shall, nevertheless, retain a lien upon all property or funds held or collected by such trustee to secure any amounts then due it pursuant to the provisions of Section 9.06.

No successor trustee shall accept appointment as provided in this Section 9.10 unless at the time of such acceptance such successor trustee shall be qualified under the provisions of Section 9.07 and eligible under the provisions of Section 9.08.

Upon acceptance of appointment by a successor trustee as provided in this Section 9.10, the Company shall mail notice of the succession of such trustee hereunder to the holders of the Trust Certificates at their last addresses appearing upon the registry books. If the Company fails to mail such notice within ten days after acceptance of appointment by the successor trustee, the successor trustee shall cause such notice to be mailed at the expense of the Company.

SECTION 9.11. *Merger or Consolidation of Trustee.* Any corporation into which the Trustee may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger or conversion or consolidation to which the Trustee shall be a party, or any corporation succeeding to the corporate trust business of the Trust-

tee, shall be the successor of the Trustee hereunder, provided such corporation shall be qualified under the provisions of Section 9.07 and eligible under the provisions of Section 9.08, without the execution or filing of any paper or any further act on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

SECTION 9.12. *Preferential Collection of Claims Against the Company.* (a) Subject to the provisions of Section 9.12(b), if the Trustee shall be or shall become a creditor, directly or indirectly, secured or unsecured, of the Company within four months prior to a default, as defined in Section 9.12(c), or subsequent to such a default, then, unless and until such default shall be cured, the Trustee shall set apart and hold in a special account for the benefit of the Trustee individually, the holders of the Trust Certificates and the holders of other indenture securities (as defined in Section 9.12(c)) :

(1) an amount equal to any and all reductions in the amount due and owing upon any claim as such creditor in respect of principal or interest, effected after the beginning of such four-months' period and valid as against the Company and its other creditors, except any such reduction resulting from the receipt or disposition of any property described in Section 9.12(a)(2), or from the exercise of any right of set-off which the Trustee could have exercised if a petition in bankruptcy had been filed by or against the Company upon the date of such default; and

(2) all property received by the Trustee in respect of any claim as such creditor, either as security therefor, or in satisfaction or composition thereof, or otherwise, after the beginning of such four-months' period, or an amount equal to the proceeds of any such property, if disposed of, *subject, however*, to the rights, if any, of the Company and its other creditors in such property or such proceeds.

Nothing herein contained, however, shall affect the right of the Trustee

(A) to retain for its own account (i) payments made on account of any such claim by any person (other than the Company) who is liable thereon, and (ii) the proceeds of the *bona fide* sale of any such claim by the Trustee to a third person, and (iii) distributions made in cash, securities, or other property in respect of

claims filed against the Company in bankruptcy or receivership or in proceedings for reorganization pursuant to the Bankruptcy Act or applicable state law;

(B) to realize, for its own account, upon any property held by it as security for any such claim, if such property was so held prior to the beginning of such four-months' period;

(C) to realize, for its own account, but only to the extent of the claim hereinafter mentioned, upon any property held by it as security for any such claim, if such claim was created after the beginning of such four-months' period and such property was received as security therefor simultaneously with the creation thereof, and if the Trustee shall sustain the burden of proving that at the time such property was so received the Trustee had no reasonable cause to believe that a default as defined in Section 9.12(c) would occur within four months; or

(D) to receive payment on any claim referred to in paragraph (B) or (C), against the release of any property held as security for such claim as provided in paragraph (B) or (C), as the case may be, to the extent of the fair value of such property.

For the purposes of paragraphs (B), (C) and (D), property substituted after the beginning of such four-months' period for property held as security at the time of such substitution shall, to the extent of the fair value of the property released, have the same status as the property released, and, to the extent that any claim referred to in any of such paragraphs is created in renewal of or in substitution for or for the purpose of repaying or refunding any pre-existing claim of the Trustee as such creditor, such claim shall have the same status as such pre-existing claim.

If the Trustee shall be required to account, the funds and property held in such special account and the proceeds thereof shall be apportioned between the Trustee, the holders of the Trust Certificates and the holders of other indenture securities in such manner that the Trustee, the holders of the Trust Certificates and the holders of other indenture securities realize, as a result of payments from such special account and payments of dividends on claims filed against the Com-

pany in bankruptcy or receivership or in proceedings for reorganization pursuant to the Bankruptcy Act or applicable state law, the same percentage of their respective claims, figured before crediting to the claim of the Trustee anything on account of the receipt by it from the Company of the funds and property in such special account and before crediting to the respective claims of the Trustee, the holders of the Trust Certificates and the holders of other indenture securities dividends on claims filed against the Company in bankruptcy or receivership or in proceedings for reorganization pursuant to the Bankruptcy Act or applicable state law, but after crediting thereon receipts on account of the indebtedness represented by their respective claims from all sources other than from such dividends and from the funds and property so held in such special account. As used in this paragraph, with respect to any claim, the term "dividends" shall include any distribution with respect to such claim, in bankruptcy or receivership or in proceedings for reorganization pursuant to the Bankruptcy Act or applicable state law, whether such distribution is made in cash, securities, or other property, but shall not include any such distribution with respect to the secured portion, if any, of such claim. The court in which such bankruptcy, receivership, or proceedings for reorganization is pending shall have jurisdiction (i) to apportion between the Trustee, the holders of the Trust Certificates and the holders of other indenture securities, in accordance with the provisions of this paragraph, the funds and property held in such special account and the proceeds thereof, or (ii) in lieu of such apportionment, in whole or in part, to give to the provisions of this paragraph due consideration in determining the fairness of the distributions to be made to the Trustee, the holders of the Trust Certificates and the holders of other indenture securities with respect to their respective claims, in which event it shall not be necessary to liquidate or to appraise the value of any securities or other property held in such special account or as security for any such claim, or to make a specific allocation of such distributions as between the secured and unsecured portions of such claims, or otherwise to apply the provisions of this paragraph as a mathematical formula.

Any Trustee who has resigned or been removed after the beginning of such four-months' period shall be subject to the provisions of this subsection (a) as though such resignation or removal had not occurred. If any Trustee has resigned or been removed prior to the beginning

of such four-months' period, it shall be subject to the provisions of this subsection (a) if and only if the following conditions exist:

(i) the receipt of property or reduction of claim, which would have given rise to the obligation to account, if such Trustee had continued as trustee, occurred after the beginning of such four-months' period; and

(ii) such receipt of property or reduction of claim occurred within four months after such resignation or removal.

(b) There shall be excluded from the operation of Section 9.12(a) a creditor relationship arising from

(1) the ownership or acquisition of securities issued under any indenture, or any security or securities having a maturity of one year or more at the time of acquisition by the Trustee;

(2) advances authorized by a receivership or bankruptcy court of competent jurisdiction, or by this Agreement, for the purpose of preserving any property which shall at any time be subject to this Agreement or of discharging tax liens or other prior liens or encumbrances thereon, if notice of such advance and of the circumstances surrounding the making thereof is given to the holders of the Trust Certificates at the time and in the manner provided in this Agreement;

(3) disbursements made in the ordinary course of business in the capacity of trustee under an indenture, transfer agent, conversion agent, registrar, custodian, paying agent, fiscal agent or depository, or other similar capacity;

(4) an indebtedness created as a result of services rendered or premises rented; or an indebtedness created as a result of goods or securities sold in a cash transaction as defined in Section 9.12(c);

(5) the ownership of stock or of other securities of a corporation organized under the provisions of section 25(a) of the Federal Reserve Act, as amended, which is directly or indirectly a creditor of the Company; or

(6) the acquisition, ownership, acceptance or negotiation of any drafts, bills of exchange, acceptances, or obligations which fall within the classification of self-liquidating paper as defined in Section 9.12(c).

(c) As used in this Section 9.12:

(1) The term “default” shall mean any failure to make payment in full of the principal of or interest on any of the Trust Certificates or upon the other indenture securities when and as such principal or interest becomes due and payable.

(2) The term “other indenture securities” shall mean securities upon which the Company is an obligor (as defined in the Trust Indenture Act of 1939) outstanding under any other indenture (i) under which the Trustee is also trustee, (ii) which contains provisions substantially similar to the provisions of this Section 9.12, and (iii) under which a default exists at the time of the apportionment of the funds and property held in such special account.

(3) The term “cash transaction” shall mean any transaction in which full payment for goods or securities sold is made within seven days after delivery of the goods or securities in currency or in checks or other orders drawn upon banks or bankers and payable upon demand.

(4) The term “self-liquidating paper” shall mean any draft, bill of exchange, acceptance or obligation which is made, drawn, negotiated or incurred by the Company for the purpose of financing the purchase, processing, manufacturing, shipment, storage or sale of goods, wares or merchandise and which is secured by documents evidencing title to, possession of, or a lien upon, the goods, wares or merchandise or the receivables or proceeds arising from the sale of the goods, wares or merchandise previously constituting the security, provided the security is received by the Trustee simultaneously with the creation of the creditor relationship with the Company arising from the making, drawing, negotiating or incurring of the draft, bill of exchange, acceptance or obligation.

(5) The term “Company” shall mean any obligor upon the Trust Certificates.

SECTION 9.13. *Paying Agents.* (a) Whenever the Trustee shall appoint a paying agent other than the Company, it will cause such

paying agent to execute and deliver to the Trustee an instrument in which such agent shall agree with the Trustee, subject to the provisions of this Section 9.13,

(1) that it will hold all sums held by it as such agent for the payment of the principal of or interest on the Trust Certificates (whether such sums have been paid to it by the Company or by any other obligor on the Trust Certificates) in trust for the benefit of the holders of the Trust Certificates and will notify the Trustee of the receipt of sums to be so held, and

(2) that it will give the Trustee notice of any failure by the Company (or by any other obligor on the Trust Certificates) to make any payment of the principal of or interest on the Trust Certificates when the same shall be due and payable.

(b) If the Company shall act as paying agent for the Trustee, it will, on or before each due date of the principal of or interest on the Trust Certificates, set aside, segregate and hold in trust for the benefit of the holders of the Trust Certificates a sum sufficient to pay such principal or interest so becoming due. The Company will promptly notify the Trustee of any failure to take such action.

The Trustee hereby appoints The Chase Manhattan Bank (National Association) as the paying agent in the Borough of Manhattan, The City of New York.

SECTION 9.14. *Appointment and Qualification of Authenticating Agent.* As long as any of the Trust Certificates remain outstanding (unless the principal corporate trust office of the Trustee shall be in the Borough of Manhattan, The City of New York) there shall be an Authenticating Agent appointed by the Trustee to act on its behalf and subject to its direction in connection with the authentication of the Trust Certificates as set forth in Articles Two and Three. Such Authenticating Agent shall at all times be a corporation organized and doing business under the laws of the United States or of any State or Territory or of the District of Columbia authorized under such laws to act as authenticating agent, having a combined capital and surplus of at least \$10,000,000, and being subject to supervision or examination by Federal, State, Territorial, or District of Columbia authority, and, if there be

such a corporation willing and able to act as Authenticating Agent on reasonable and customary terms, having its principal office and place of business in The City of New York, State of New York. If such corporation publishes reports of condition at least annually, pursuant to law or to the requirements of the aforesaid supervising or examining authority, then for the purposes of this Section 9.14 the combined capital and surplus of such corporation shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

The Trustee hereby appoints The Chase Manhattan Bank (National Association), New York, N. Y., as Authenticating Agent.

Any corporation into which any Authenticating Agent may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which any Authenticating Agent shall be a party, or any corporation succeeding to the corporate agency business of any Authenticating Agent, shall continue to be the Authenticating Agent without the execution or filing of any paper or any further act on the part of the Trustee or the Authenticating Agent.

Any Authenticating Agent may at any time resign by giving written notice of resignation to the Trustee and to the Company. The Trustee may at any time terminate the agency of any Authenticating Agent by giving written notice of termination to such Authenticating Agent and to the Company. Upon receiving such a notice of resignation or upon such a termination, or in case at any time any Authenticating Agent shall cease to be eligible in accordance with the provisions of this Section 9.14, the Trustee promptly shall appoint a successor Authenticating Agent, shall give written notice of such appointment to the Company and shall mail notice of such appointment to all holders of Trust Certificates as the names and addresses of such holders appear upon the Trust Certificate register. Any successor Authenticating Agent upon acceptance of its appointment hereunder shall become vested with all the rights, powers, duties and responsibilities of its predecessor hereunder, with like effect as if originally named as Authenticating Agent herein. No successor Authenticating Agent shall be appointed unless eligible under the provisions of this Section 9.14.

The Trustee agrees to pay to the Authenticating Agent from time to time reasonable compensation for its services, and the Trustee shall be entitled to be reimbursed for such payments subject to the provisions of Section 9.06.

ARTICLE TEN

CONCERNING THE HOLDERS OF TRUST CERTIFICATES

SECTION 10.01. *Evidence of Action Taken by Holders of Trust Certificates.* Whenever in this Agreement it is provided that the holders of a specified percentage in aggregate principal amount of the Trust Certificates may take any action (including the making of any demand or request, the giving of any notice, consent or waiver or the taking of any other action), the fact that at the time of taking any such action the holders of such specified percentage have joined therein may be evidenced (a) by any instrument or any number of instruments of similar tenor executed by holders of Trust Certificates in person or by agent or proxy appointed in writing, or (b) by the record of the holders of Trust Certificates voting in favor thereof at any meeting of holders of Trust Certificates duly called and held in accordance with the provisions of Article Eleven, or (c) by a combination of such instrument or instruments and any such record of such a meeting of holders of Trust Certificates.

SECTION 10.02. *Proof of Execution of Instruments and Holding of Trust Certificates.* Subject to the provisions of Sections 9.02 and 11.05, proof of the execution of any instrument by a holder of Trust Certificates or his agent or proxy and proof of the holding by any person of any of the Trust Certificates shall be sufficient if made in the following manner:

The fact and date of the execution by any such person of any instrument may be proved by the certificate of any notary public or other officer of any jurisdiction within the United States of America authorized to take acknowledgments of deeds to be recorded in such jurisdiction that the person executing such instrument acknowledged to him the execution thereof, or by an affidavit of a witness to such execution sworn to before any such notary or other such officer, or by a guarantee of the

signature of such person by a trust company, bank or a member firm of the New York Stock Exchange.

The ownership of Trust Certificates may be proved by the register of such Trust Certificates or by a certificate of the registrar thereof.

The Trustee may require such additional proof of any matter referred to in this Section 10.02 as it shall deem necessary.

The record of any meeting of holders of Trust Certificates shall be proved in the manner provided in Section 11.06.

SECTION 10.03. *Trust Certificates Owned by Company Deemed Not Outstanding.* In determining whether the holders of the requisite principal amount of the Trust Certificates have concurred in any direction, request or consent under this Agreement, Trust Certificates which are owned by the Company or by any other obligor on the Trust Certificates or by any Affiliate of the Company or any such other obligor shall be disregarded, except that for the purpose of determining whether the Trustee shall be protected in relying on any such direction, request or consent, only Trust Certificates which the Trustee knows are so owned shall be disregarded.

SECTION 10.04. *Right of Revocation of Action Taken.* At any time prior to (but not after) the evidencing to the Trustee, as provided in Section 10.01, of the taking of any action by the holders of the percentage in aggregate principal amount of the Trust Certificates specified in this Agreement in connection with such action, any holder of a Trust Certificate the serial number of which is shown by the evidence to be included in the Trust Certificates the holders of which have consented to such action may, by filing written notice with the Trustee at its Corporate Trust Office and upon proof of holding as provided in Section 10.02, revoke such action so far as concerns such Trust Certificate. Except as aforesaid any such action taken by the holder of any Trust Certificate shall be conclusive and binding upon such holder and upon all future holders and owners of such Trust Certificate and of any Trust Certificate issued in exchange or substitution therefor, irrespective of whether or not any notation in regard thereto is made upon such Trust Certificate. Any action taken by the holders of the percentage in aggregate principal amount of the Trust Certificates specified in this

Agreement in connection with such action shall be conclusive and binding upon the Company, the Trustee and the holders of all the Trust Certificates.

ARTICLE ELEVEN

MEETINGS OF HOLDERS OF TRUST CERTIFICATES

SECTION 11.01. *Purposes for Which Meetings of Holders of Trust Certificates May Be Called.* A meeting of holders of Trust Certificates may be called at any time and from time to time pursuant to the provisions of this Article Eleven for any of the following purposes:

(a) to give any notice to the Company or to the Trustee, or to give any directions to the Trustee or to waive any default hereunder and its consequences, or to take any other action authorized to be taken by holders of Trust Certificates, pursuant to any of the provisions of Article Six;

(b) to remove the Trustee and appoint a successor trustee pursuant to the provisions of Section 9.09 or;

(c) to take any other action authorized to be taken by or on behalf of the holders of any specified aggregate principal amount of the Trust Certificates under any other provision of this Agreement or under applicable law.

SECTION 11.02. *Call of Meetings by Trustee.* The Trustee may at any time call a meeting of holders of Trust Certificates to take any action specified in Section 11.01, to be held at such time and at such place in the City of Chicago, State of Illinois, or in the Borough of Manhattan, City and State of New York, as the Trustee shall determine. Notice of every meeting of the holders of Trust Certificates, setting forth the time and the place of such meeting and in general terms the action proposed to be taken at such meeting, shall be mailed by the Trustee at least 30 days prior to such meeting to the holders of the Trust Certificates at their last addresses appearing upon the registry books.

SECTION 11.03. *Company and Holders of Trust Certificates May Call Meeting.* In case at any time the Company, pursuant to a resolution of its Board of Directors, or the holders of at least 10% in aggregate principal amount of the Trust Certificates then outstanding, shall

have requested the Trustee to call a meeting of holders of Trust Certificates to take any action authorized in Section 11.01, by written request setting forth in reasonable detail the action proposed to be taken at the meeting, and the Trustee shall not have mailed notice of such meeting within 20 days after receipt of such request, then the Company or the holders of the Trust Certificates in the amount above specified may determine the time and the place in the City of Chicago, State of Illinois, or in the Borough of Manhattan, City and State of New York, for such meeting and may call such meeting by mailing notice thereof as provided in Section 11.02.

SECTION 11.04. *Persons Entitled to Vote at Meeting.* To be entitled to vote at any meeting of holders of Trust Certificates a person shall (a) be a holder of one or more Trust Certificates or (b) be a person appointed by an instrument in writing as proxy by a holder of one or more Trust Certificates. The only persons who shall be entitled to be present or to speak at any meeting of the holders of the Trust Certificates shall be the persons entitled to vote at such meeting and their counsel and any representatives of the Trustee and its counsel and any representatives of the Company and its counsel.

SECTION 11.05. *Determination of Voting Rights; Conduct and Adjournment of Meeting.* Notwithstanding any other provisions of this Agreement, the Trustee may make such reasonable regulations as it may deem advisable for any meeting of holders of the Trust Certificates, in regard to proof of the appointment of proxies, and in regard to the appointment and duties of inspectors of votes, the submission and examination of proxies and other evidence of the right to vote, and such other matters concerning the conduct of the meeting as it shall think fit. Except as otherwise permitted or required by any such regulations, the holding of Trust Certificates shall be proved in the manner specified in Section 10.02 and the appointment of any proxy shall be proved in the manner specified in said Section 10.02 or by having the signature of the person executing the proxy witnessed or guaranteed by any bank, banker or trust company satisfactory to the Trustee.

The Trustee shall, by an instrument in writing, appoint a temporary chairman of the meeting, unless the meeting shall have been called by the Company or by holders of the Trust Certificates as provided in Section 11.03, in which case the Company or the holders of the Trust Certificates calling the meeting, as the case may be, shall in like manner

appoint a temporary chairman. A permanent chairman and a permanent secretary of the meeting shall be elected by vote of the holders of a majority in principal amount of the Trust Certificates represented at the meeting and entitled to vote.

Subject to the provisions of Section 10.03, at any meeting each holder of Trust Certificates or proxy shall be entitled to one vote for each \$1,000 principal amount of Trust Certificates held or represented by him; *provided, however*, that no vote shall be cast or counted at any meeting in respect of any Trust Certificate challenged as not outstanding and ruled by the chairman of the meeting to be not outstanding. The chairman of the meeting shall have no right to vote except as a holder of Trust Certificates or proxy. Any meeting of holders of Trust Certificates duly called pursuant to the provisions of Section 11.02 or 11.03 may be adjourned from time to time, and the meeting may be held as so adjourned without further notice.

At any meeting of holders of Trust Certificates, the presence of persons holding or representing Trust Certificates in an aggregate principal amount sufficient to take action upon the business for the transaction of which such meeting was called shall be necessary to constitute a quorum; but, if less than a quorum be present, the persons holding or representing a majority in aggregate principal amount of the Trust Certificates represented at the meeting may adjourn such meeting with the same effect, for all intents and purposes, as though a quorum had been present.

SECTION 11.06. *Counting Vote and Recording Action of Meeting.* The vote upon any resolution submitted to any meeting of holders of Trust Certificates shall be by written ballots on which shall be subscribed the signatures of the holders of Trust Certificates or proxies and the serial number or numbers of the Trust Certificates held or represented by them. The permanent chairman of the meeting shall appoint two inspectors of votes who shall count all votes cast at the meeting for or against any resolution and who shall make and file with the secretary of the meeting their verified written reports in duplicate of all votes cast at the meeting. A record in duplicate of the proceedings of each meeting of holders of Trust Certificates shall be prepared by the secretary of the meeting, and there shall be attached to said record the original reports of the inspectors of votes on any vote by ballot taken thereat and affidavits by one or more persons having knowl-

edge of the facts, setting forth a copy of the notice of the meeting and showing that said notice was mailed as provided in Section 11.02. The record shall be signed and verified by the affidavits of the permanent chairman and secretary of the meeting, and one of the duplicates shall be delivered to the Company and the other to the Trustee to be preserved by the Trustee, the latter to have attached thereto the ballots voted at the meeting.

Any record so signed and verified shall be conclusive evidence of the matters therein stated.

SECTION 11.07. *Call of Meeting Not to Affect Rights of Trustee and Holders of Trust Certificates.* Nothing in this Article Eleven contained shall be deemed or construed to authorize or permit, by reason of any call of a meeting of holders of Trust Certificates or any rights expressly or impliedly conferred hereunder to make such call, any hindrance or delay in the exercise of any right or rights conferred upon or reserved to the Trustee or to the holders of Trust Certificates under any of the provisions of this Agreement or of the Trust Certificates.

ARTICLE TWELVE

SUPPLEMENTAL AGREEMENTS

SECTION 12.01. *Supplemental Agreements without Consent of Holders of Trust Certificates.* The Company, when authorized by resolution or resolutions of its Board of Directors, and the Trustee may from time to time and at any time enter into an agreement or agreements supplemental hereto for one or more of the following purposes:

(a) to add to the covenants of the Company such further covenants, restrictions, conditions or provisions for the protection of the holders of the Trust Certificates as the Board of Directors of the Company and the Trustee shall consider to be for the protection of the holders of Trust Certificates, and to make the occurrence, or the occurrence and continuance, of a default in any of such additional covenants, restrictions, conditions or provisions a default or an Event of Default permitting the enforcement of all or any of the several remedies provided in this Agreement as herein set forth; *provided, however,* that in respect of any such additional

covenant, restriction, condition or provisions such supplemental agreement may provide for a particular period of grace after default, which period may but need not be shorter or longer than allowed in the case of other defaults, or may provide for an immediate enforcement upon such default or may limit the remedies available to the Trustee upon such default; and

(b) to cure any ambiguity or to correct or supplement any provision contained herein or in any supplemental agreement which may be defective or inconsistent with any other provision contained herein or in any supplemental agreement, or to make such other provisions in regard to matters or questions arising under this Agreement which shall not adversely affect the interests of the holders of the Trust Certificates.

The Trustee is hereby authorized to join with the Company in the execution of any such supplemental agreement, to make any further appropriate agreements and stipulations which may be therein contained and to accept the conveyance, transfer and assignment of any property thereunder, but the Trustee shall not be obligated to enter into any such supplemental agreement which affects the Trustee's own rights, duties or immunities under this Agreement or otherwise.

Any supplemental agreement authorized by the provisions of this Section 12.01 may be executed by the Company and the Trustee without the consent of the holders of any of the Trust Certificates at the time outstanding notwithstanding any of the provisions of Section 12.02.

SECTION 12.02. *Supplemental Agreements with Consent of Holders of Trust Certificates.* With the consent, evidenced as provided in Section 10.01, of the holders of not less than 66 $\frac{2}{3}$ % in aggregate principal amount of the Trust Certificates at the time outstanding, the Company, when authorized by resolution or resolutions of its Board of Directors, and the Trustee may from time to time and at any time enter into an agreement or agreements supplemental hereto for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Agreement or of any supple-

mental agreement or of modifying in any manner the rights of the holders of the Trust Certificates; *provided, however*, that no such supplemental agreement shall (i) extend the fixed maturity of any Trust Certificates, or reduce the rate or extend the time of payment of interest thereon, or reduce the principal amount thereof or any premium thereon, or make the principal thereof or any premium or interest thereon payable in any coin or currency other than that provided in the Trust Certificates, without the consent of the holder of each Trust Certificate so affected, or (ii) reduce the aforesaid percentage of Trust Certificates, the holders of which are required to consent to any such supplemental agreement, without the consent of the holders of all Trust Certificates then outstanding.

Upon the request of the Company, accompanied by a copy of the resolution or resolutions of its Board of Directors certified by its Secretary or an Assistant Secretary authorizing the execution of any such supplemental agreement, and upon the filing with the Trustee of evidence of the consent of holders of Trust Certificates as aforesaid, the Trustee shall join with the Company in the execution of such supplemental agreement unless such supplemental agreement affects the Trustee's own rights, duties or immunities under this Agreement or otherwise, in which case the Trustee may in its discretion, but shall not be obligated to, enter into such supplemental agreement.

It shall not be necessary for the consent of the holders of Trust Certificates under this Section 12.02 to approve the particular form of any proposed supplemental agreement, but it shall be sufficient if such consent shall approve the substance thereof.

SECTION 12.03. *Compliance with Trust Indenture Act; Effect of Supplemental Agreements.* Any supplemental agreement executed pursuant to the provisions of this Article Twelve shall comply with the Trust Indenture Act of 1939 as then in effect. Upon the execution of any supplemental agreement pursuant to the provisions of this Article Twelve, this Agreement shall be and be deemed to be modified and amended in accordance therewith and the respective rights, limitations of rights, obligations, duties and immunities under this Agreement of the Trustee, the Company and the holders of Trust Certificates shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modifications and amendments, and all the terms

and conditions of any such supplemental agreement shall be and be deemed to be part of the terms and conditions of this Agreement for any and all purposes.

SECTION 12.04. *Notation on Trust Certificates.* Trust Certificates delivered after the execution of any supplemental agreement pursuant to the provisions of this Article Twelve may bear a notation in form approved by the Trustee as to any matter provided for in such supplemental agreement. If the Trustee shall so determine, new Trust Certificates so modified as to conform, in the opinion of the Trustee, to any modification of this Agreement contained in any such supplemental agreement may be prepared and executed by the Trustee and delivered in exchange for the Trust Certificates then outstanding.

SECTION 12.05. *Evidence of Compliance of Supplemental Agreement to be Furnished Trustee.* The Trustee, subject to the provisions of Sections 9.02 and 9.03, may receive an Officers' Certificate and an Opinion of Counsel as conclusive evidence that any supplemental agreement executed pursuant hereto complies with the requirements of this Article Twelve.

ARTICLE THIRTEEN

MISCELLANEOUS

SECTION 13.01. *Rights Confined to Parties and Holders.* Nothing expressed or implied herein is intended or shall be construed to confer upon or to give to any person, firm or corporation, other than the parties hereto and the holders of the Trust Certificates, any right, remedy or claim under or by reason of this Agreement or of any term, covenant or condition hereof, and all the terms, covenants, conditions, promises and agreements contained herein shall be for the sole and exclusive benefit of the parties hereto and their successors and of the holders of the Trust Certificates.

SECTION 13.02. *No Recourse.* No recourse under any obligation, covenant or agreement of this Agreement, or of the guaranty endorsed on any Trust Certificate, shall be had against any stockholder, officer or director of the Company, as such, by the enforcement of any assess-

ment or by any legal or equitable proceeding, by virtue of any statute or otherwise; it being expressly agreed and understood that this Agreement and said guaranty are solely corporate obligations, and that no personal liability whatever shall attach to or be incurred by the stockholders, officers or directors of the Company, as such, or any of them, under or by reason of any of the obligations, covenants or agreements contained in this Agreement or in said guaranty, or implied therefrom, and that any and all personal liability, either at common law or in equity, or by statute or constitution, of every such stockholder, officer or director is hereby expressly waived as a condition of and consideration for the execution of this Agreement and said guaranty.

SECTION 13.03. *Officers' Certificates and Opinions of Counsel; Statements to be Contained Therein.* Upon any application or demand by the Company to the Trustee to take any action under any of the provisions of this Agreement (other than the issuance of Trust Certificates), the Company shall furnish to the Trustee an Officers' Certificate stating that all conditions precedent provided for in this Agreement relating to the proposed action have been complied with and an Opinion of Counsel stating that in the opinion of such counsel all such conditions precedent have been complied with.

Each certificate or opinion provided for in this Agreement and delivered to the Trustee with respect to compliance with a condition or covenant provided for in this Agreement shall include (a) a statement that the person making such certificate or opinion has read such condition or covenant; (b) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based; (c) a statement that, in the opinion of such person, he has made such examination or investigation as is necessary to enable him to express an informed opinion as to whether or not such condition or covenant has been complied with; and (d) a statement as to whether or not in the opinion of such person, such condition or covenant has been complied with.

SECTION 13.04. *Conflict of any Provision of Agreement with Trust Indenture Act of 1939.* If and to the extent that any provision of this Agreement limits, qualifies or conflicts with another provision included in this Agreement which is required to be included herein by any of

sections 310 to 317, inclusive, of the Trust Indenture Act of 1939, such required provision shall control.

SECTION 13.05. *Binding Upon Assigns.* Except as otherwise provided herein, the provisions of this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

SECTION 13.06. *Notices.* All demands, notices and communications hereunder shall be in writing and shall be deemed to have been duly given if personally delivered at or mailed by registered mail to (a) in the case of the Company, 200 South Michigan Avenue, Chicago, Illinois 60604, or such other address as may hereafter be furnished to the Trustee in writing by the Company and (b) in the case of the Trustee, 231 South LaSalle Street, Chicago, Illinois 60693, Attention of Corporate Trust Department, or such other address as may hereafter be furnished to the Company in writing by the Trustee. An affidavit by any person representing or acting on behalf of the Company or the Trustee, as to such mailing, having the registry receipt attached, shall be conclusive evidence of the giving of such demand, notice or communication.

SECTION 13.07. *Effect of Headings.* The Article and Section headings herein are for convenience only and shall not affect the construction hereof.

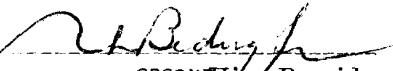
SECTION 13.08. *Counterparts.* This Agreement has been simultaneously executed in several counterparts each of which shall be deemed to be an original, and all such counterparts shall together constitute but one and the same instrument.

SECTION 13.09. *Date Executed.* This Agreement shall be deemed to have been executed on the date of the acknowledgment thereof by the officer of the Trustee who signed it on behalf of the Trustee.

SECTION 13.10. *Governing Law.* The provisions of this Agreement, and all the rights and obligations of the parties hereunder, shall be governed by the laws of the State of New York.

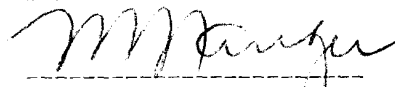
IN WITNESS WHEREOF, the Company and the Trustee have caused their names to be signed hereto by their respective officers thereunto duly authorized and their respective corporate seals, duly attested, to be hereunto affixed as of the day and year first written.

CONTINENTAL ILLINOIS NATIONAL BANK
AND TRUST COMPANY OF CHICAGO

By 
SECOND ~~Vice~~ President.

[CORPORATE SEAL]

Attest:

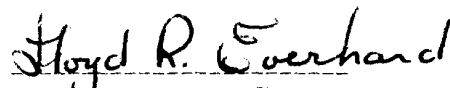

Trust Officer.

PULLMAN TRANSPORT LEASING COMPANY

By 
President.

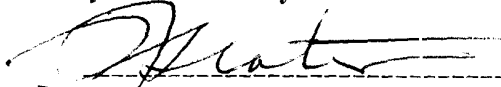
[CORPORATE SEAL]

Attest:


Secretary.

STATE OF ILLINOIS, }
COUNTY OF COOK, } ss.:

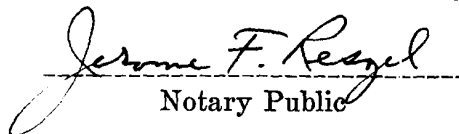
On this 22nd day of June, 1972, before me personally came V. L. BEDINGFIELD
to me known, who, being by me duly sworn, says that he
resides at 672 N. DUNTON AVE., ARLINGTON HEIGHTS, ILL., that he is a ^{SECOND} Vice President
of CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF
CHICAGO, one of the corporations described in and which executed the
foregoing instrument; that he knows the seal of said corporation; that
the seal affixed to said instrument is such corporate seal; that it was
so affixed by authority of the Board of Directors of said corporation,
and that he signed his name thereto by like authority.


R. SLATER Notary Public
My Commission Expires January 14, 1974

[NOTARIAL SEAL]

STATE OF ILLINOIS, }
COUNTY OF COOK, } ss.:

On this 22nd day of June, 1972, before me personally came
ARTHUR L. BERRY, to me known, who, being by me duly sworn, says that
he resides at 1639 Central Ave., Wilmette, Ill., that he is the President
of PULLMAN TRANSPORT LEASING COMPANY, one of the corporations de-
scribed in and which executed the foregoing instrument; that he knows
the seal of said corporation; that the seal affixed to said instrument is
such corporate seal; that it was so affixed by order of the Board of
Directors of said corporation, and that he signed his name thereto by
like order.


Notary Public

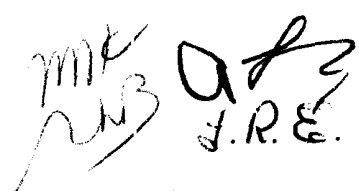
[NOTARIAL SEAL]

MY COMMISSION EXPIRES JANUARY 14, 1974

SCHEDULE A
Description of Trust Equipment

<u>Quantity</u>	<u>Description</u>	<u>Car Number</u>
215	4,475 Cu. Ft. Capacity 125-ton Covered Hopper	TLCX 26000-26214
243	4,740 Cu. Ft. Capacity 100-ton Covered Hopper	TLCX 31087-31220; 31247-31251 PTLX 31847-31850 KCS 303704, 303712, 303721, 303739, 303747, 303755, 303763, 303771, 303780, 303798, 303801, 303810, 303828, 303836, 303844, 303852, 303861, 303879, 303887, 303895, 303909, 303917, 303925, 303933, 303941, 304107, 304115, 304123, 304131, 304140, 304158, 304166, 304174, 304182, 304191, 304204, 304212, 304221, 304239, 304247, 304255, 304263, 304271, 304280, 304298, 304301, 304310, 304328, 304336, 304344, 304352, 304361, 304379, 304387, 304395, 304409, 304417, 304425, 304433, 304441, 304450, 304468, 304476, 304484, 304492, 304506, 304514, 304522, 304531, 304549, 304557, 304565, 304573, 304581, 304590, 304603, 304611, 304620, 304638, 304646, 304654, 304662, 304671, 304689, 304697, 304701, 304719, 304727, 304735, 304743, 304751, 304760, 304778, 304786, 304794, 304808, 304816, 304824, 304832, 304841
35	4,785 Cu. Ft. Capacity 100-ton Covered Hopper	TLCX 35150-35184
19	5,650 Cu. Ft. Capacity 100-ton Covered Hopper	TLCX 39369; 39552-39569
488	5,820 Cu. Ft. Capacity 100-ton Covered Hopper	PTLX 41000-41349 PTLX 41350; 41352-41375; 41378- 41383; 41386-41400; 41402; 41403; 41406-41409; 41411- 41428; 41432-41499
4	10,400 Gal. Insulated Tank Cars	TLDX 210000-210003

<u>Quantity</u>	<u>Description</u>	<u>Car Number</u>
4	13,500 Gal. Non Insulated Tank Cars	TLDX 113008-113011
4	16,300 Gal. Insulated Tank Cars	PTLX 216182-216185
4	20,800 Gal. Non Insulated Tank Cars	PTLX 120091-120094
10	20,800 Gal. Non Insulated Tank Cars	PTLX 120095-120101 120105-120107
14	20,800 Gal. Non Insulated Tank Cars	TLDX 12067-12080
19	20,800 Gal. Insulated Tank Cars	TLDX 220000-220018
138	23,500 Gal. Insulated Tank Cars	TLDX 223103-223202 PTLX 223299-223336
<u>1,197</u>		



 J.R.E.